

111TH CONGRESS  
2D SESSION

# S. 3535

To enhance the energy security of the United States by promoting the production of natural gas, nuclear energy, and renewable energy, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

JUNE 24, 2010

Mr. BURR (for himself and Mr. CHAMBLISS) introduced the following bill;  
which was read twice and referred to the Committee on Finance

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## A BILL

To enhance the energy security of the United States by promoting the production of natural gas, nuclear energy, and renewable energy, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Next Generation Energy Security Act of 2010”.

6 (b) TABLE OF CONTENTS.—The table of contents of  
7 this Act is as follows:

Sec. 1. Short title; table of contents.

### TITLE I—NATURAL GAS

Sec. 101. Short title, etc.

Subtitle A—Promote the Purchase and Use of NGVs With an Emphasis on  
Heavy Duty Vehicles and Fleet Vehicles

- Sec. 111. Modification of alternative fuel credit.
- Sec. 112. Extension and modification of new qualified alternative fuel motor vehicle credit.
- Sec. 113. Allowance of vehicle and infrastructure credits against regular and minimum tax and transferability of credits.
- Sec. 114. Natural gas vehicle bonds.
- Sec. 115. Modification of credit for purchase of vehicles fueled by compressed natural gas or liquified natural gas.
- Sec. 116. Modification of definition of new qualified alternative fuel motor vehicle.

Subtitle B—Promote Production of NGVs by Original Equipment  
Manufacturers

- Sec. 121. Incentives for manufacturing facilities producing vehicles fueled by compressed or liquified natural gas.

Subtitle C—Incentivize the Installation of Natural Gas Fuel Pumps at Service Stations and Depots and Domestic LNG Production Facilities for Small Energy Producers

- Sec. 131. Extension and modification of alternative fuel vehicle refueling property credit.
- Sec. 132. Increase in credit for certain alternative fuel vehicle refueling properties.

Subtitle D—Natural Gas Vehicles

- Sec. 141. Natural gas vehicles in Federal fleet.
- Sec. 142. Grants for natural gas vehicles research and development.
- Sec. 143. Sense of the Senate on EPA certification of NGV retrofit kits.

TITLE II—NUCLEAR ENERGY

- Sec. 201. Short title.
- Sec. 202. Findings; sense of Senate.

Subtitle A—Workforce

- Sec. 211. Training the next generation nuclear workforce.

Subtitle B—Nuclear Construction

- Sec. 221. Improvements regarding efficiency of regulatory process.
- Sec. 222. Title 17 innovative technology loan guarantee program.
- Sec. 223. Standby support for certain nuclear plant delays.

Subtitle C—Extension of Duty Suspension for Certain Nuclear Parts

- Sec. 231. Extension of duty suspension for certain parts for nuclear facilities.

Subtitle D—Tax Provisions

- Sec. 241. Special rules for depreciation period for new nuclear power plants.
- Sec. 242. Investment tax credit for nuclear power facilities.

- Sec. 243. Inclusion of nuclear power facilities in qualifying advanced energy project credit.
- Sec. 244. Modification of credit for production from advanced nuclear power facilities.
- Sec. 245. Nuclear job creation tax credit.

#### Subtitle E—United States Used Nuclear Fuel

- Sec. 251. United States used nuclear fuel.

### TITLE III—ELECTRIC VEHICLE INFRASTRUCTURE

- Sec. 301. Increase in credit limitation on number of new qualified plug-in electric vehicles.
- Sec. 302. Modifications to credit for alternative fuel vehicle refueling property.
- Sec. 303. Vehicle technology and recharging infrastructure.

### TITLE IV—RENEWABLE ENERGY

- Sec. 401. Extension of energy credit.
- Sec. 402. Extension of renewable energy production credit.

### TITLE V—FUNDING

- Sec. 501. Transfer of stimulus funds.

## 1           **TITLE I—NATURAL GAS**

### 2   **SEC. 101. SHORT TITLE, ETC.**

3           (a) **SHORT TITLE.**—This title may be cited as the  
 4   “New Alternative Transportation to Give Americans Solu-  
 5   tions Act of 2010”.

6           (b) **AMENDMENT OF 1986 CODE.**—Except as other-  
 7   wise expressly provided, whenever in this title an amend-  
 8   ment or repeal is expressed in terms of an amendment  
 9   to, or repeal of, a section or other provision, the reference  
 10   shall be considered to be made to a section or other provi-  
 11   sion of the Internal Revenue Code of 1986.

1 **Subtitle A—Promote the Purchase**  
 2 **and Use of NGVs With an Em-**  
 3 **phasis on Heavy Duty Vehicles**  
 4 **and Fleet Vehicles**

5 **SEC. 111. MODIFICATION OF ALTERNATIVE FUEL CREDIT.**

6 (a) ALTERNATIVE FUEL CREDIT.—Paragraph (5) of  
 7 section 6426(d) (relating to alternative fuel credit) is  
 8 amended by inserting “, and December 31, 2019, in the  
 9 case of any sale or use involving compressed or liquefied  
 10 natural gas)” after “hydrogen”.

11 (b) ALTERNATIVE FUEL MIXTURE CREDIT.—Para-  
 12 graph (3) of section 6426(d) is amended by inserting “,  
 13 and December 31, 2019, in the case of any sale or use  
 14 involving compressed or liquefied natural gas)” after “hy-  
 15 drogen”.

16 (c) PAYMENTS RELATING TO ALTERNATIVE FUEL OR  
 17 ALTERNATIVE FUEL MIXTURES.—Paragraph (6) of sec-  
 18 tion 6427(e) is amended—

19 (1) in subparagraph (C)—

20 (A) by striking “subparagraph (D)” in  
 21 subparagraph (C) and inserting “subpara-  
 22 graphs (D) and (E)”, and

23 (B) by striking “and” at the end thereof,

24 (2) by striking the period at the end of sub-  
 25 paragraph (D) and inserting “, and”, and

1 (3) by inserting at the end the following:

2 “(E) any alternative fuel or alternative fuel  
3 mixture (as so defined) involving compressed or  
4 liquefied natural gas sold or used after Decem-  
5 ber 31, 2019.”.

6 (d) EFFECTIVE DATE.—The amendments made by  
7 this section shall apply to fuel sold or used after the date  
8 of the enactment of this Act.

9 **SEC. 112. EXTENSION AND MODIFICATION OF NEW QUALI-**  
10 **FIED ALTERNATIVE FUEL MOTOR VEHICLE**  
11 **CREDIT.**

12 (a) IN GENERAL.—Paragraph (4) of section 30B(k)  
13 (relating to termination) is amended by inserting “(De-  
14 cember 31, 2019, in the case of a vehicle powered by com-  
15 pressed or liquefied natural gas)” before the period at the  
16 end.

17 (b) EFFECTIVE DATE.—The amendment made by  
18 subsection (a) shall apply to property placed in service  
19 after the date of the enactment of this Act.

20 **SEC. 113. ALLOWANCE OF VEHICLE AND INFRASTRUCTURE**  
21 **CREDITS AGAINST REGULAR AND MINIMUM**  
22 **TAX AND TRANSFERABILITY OF CREDITS.**

23 (a) BUSINESS CREDITS.—Subparagraph (B) of sec-  
24 tion 38(c)(4) is amended by striking “and” at the end of  
25 clause (vii), by striking the period at the end of clause

1 (ix) and inserting “, and”, and by inserting after clause  
 2 (ix) the following new clauses:

3 “(x) the portion of the credit deter-  
 4 mined under section 30B which is attrib-  
 5 utable to the application of subsection  
 6 (e)(3) thereof with respect to new qualified  
 7 alternative fuel motor vehicles which are  
 8 capable of being powered by compressed or  
 9 liquefied natural gas, and

10 “(xi) the portion of the credit deter-  
 11 mined under section 30C which is attrib-  
 12 utable to the application of subsection (b)  
 13 thereof with respect to refueling property  
 14 which is used to store and or dispense  
 15 compressed or liquefied natural gas.”.

16 (b) PERSONAL CREDITS.—

17 (1) NEW QUALIFIED ALTERNATIVE FUEL  
 18 MOTOR VEHICLES.—Subsection (g) of section 30B is  
 19 amended by adding at the end the following new  
 20 paragraph:

21 “(3) SPECIAL RULE RELATING TO CERTAIN  
 22 NEW QUALIFIED ALTERNATIVE FUEL MOTOR VEHI-  
 23 CLES.—In the case of the portion of the credit deter-  
 24 mined under subsection (a) which is attributable to  
 25 the application of subsection (e)(3) with respect to

1 new qualified alternative fuel motor vehicles which  
 2 are capable of being powered by compressed or liq-  
 3 uefied natural gas—

4 “(A) paragraph (2) shall (after the appli-  
 5 cation of paragraph (1)) be applied separately  
 6 with respect to such portion, and

7 “(B) in lieu of the limitation determined  
 8 under paragraph (2), such limitation shall not  
 9 exceed the excess (if any) of—

10 “(i) the sum of the regular tax liabil-  
 11 ity (as defined in section 26(b)) plus the  
 12 tentative minimum tax for the taxable  
 13 year, reduced by

14 “(ii) the sum of the credits allowable  
 15 under subpart A and sections 27 and 30.”.

16 (2) ALTERNATIVE FUEL VEHICLE REFUELING  
 17 PROPERTIES.—Subsection (d) of section 30C is  
 18 amended by adding at the end the following new  
 19 paragraph:

20 “(3) SPECIAL RULE RELATING TO CERTAIN AL-  
 21 TERNATIVE FUEL VEHICLE REFUELING PROP-  
 22 ERTIES.—In the case of the portion of the credit de-  
 23 termined under subsection (a) with respect to refuel-  
 24 ing property which is used to store and or dispense

1 compressed or liquefied natural gas and which is at-  
 2 tributable to the application of subsection (b)—

3 “(A) paragraph (2) shall (after the appli-  
 4 cation of paragraph (1)) be applied separately  
 5 with respect to such portion, and

6 “(B) in lieu of the limitation determined  
 7 under paragraph (2), such limitation shall not  
 8 exceed the excess (if any) of—

9 “(i) the sum of the regular tax liabil-  
 10 ity (as defined in section 26(b)) plus the  
 11 tentative minimum tax for the taxable  
 12 year, reduced by

13 “(ii) the sum of the credits allowable  
 14 under subpart A and sections 27, 30, and  
 15 the portion of the credit determined under  
 16 section 30B which is attributable to the  
 17 application of subsection (e)(3) thereof.”.

18 (c) CREDITS MAY BE TRANSFERRED.—

19 (1) VEHICLE CREDITS.—Subsection (h) of sec-  
 20 tion 30B is amended by adding at the end the fol-  
 21 lowing new paragraph:

22 “(11) TRANSFERABILITY OF CREDIT.—

23 “(A) IN GENERAL.—Except as provided in  
 24 subparagraph (B), a taxpayer who places in  
 25 service any new qualified alternative fuel motor



1 vehicle which is capable of being powered by  
 2 compressed or liquefied natural gas may trans-  
 3 fer the credit allowed under this section by rea-  
 4 son of subsection (e) with respect to such vehi-  
 5 cle through an assignment to the seller or lessor  
 6 of such vehicle. Such transfer may be revoked  
 7 only with the consent of the Secretary.

8 “(B) DENIAL OF DOUBLE BENEFIT.—No  
 9 assignment of a credit allowed under this sec-  
 10 tion by reason of subsection (e) with respect to  
 11 any new qualified alternative fuel motor vehicle  
 12 which is capable of being powered by com-  
 13 pressed or liquefied natural gas may be made  
 14 under subparagraph (A) to a taxpayer who has  
 15 claimed a credit under section 54G with respect  
 16 to the financing of such vehicle.

17 “(C) REGULATIONS.—The Secretary shall  
 18 prescribe such regulations as necessary to en-  
 19 sure that any credit transferred under subpara-  
 20 graph (A) is claimed once and not reassigned  
 21 by such other person.”.

22 (2) INFRASTRUCTURE CREDIT.—Subsection (e)  
 23 of section 30C is amended by adding at the end the  
 24 following new paragraph:

25 “(7) TRANSFERABILITY OF CREDIT.—

1           “(A) IN GENERAL.—Except as provided in  
2           subparagraph (B), a taxpayer who places in  
3           service any qualified alternative fuel vehicle re-  
4           fueling property relating to compressed or lique-  
5           fied natural gas may transfer the credit allowed  
6           under this section with respect to such property  
7           through an assignment to the seller or lessor of  
8           such property. Such transfer may be revoked  
9           only with the consent of the Secretary.

10           “(B) DENIAL OF DOUBLE BENEFIT.—No  
11           assignment of a credit allowed under this sec-  
12           tion by reason of subsection (e) with respect to  
13           any qualified alternative fuel vehicle refueling  
14           property relating to compressed or liquefied  
15           natural gas may be made under subparagraph  
16           (A) to a taxpayer who has claimed a credit  
17           under section 54G with respect to the financing  
18           of such property.

19           “(C) REGULATIONS.—The Secretary shall  
20           prescribe such regulations as necessary to en-  
21           sure that any credit transferred under subpara-  
22           graph (A) is claimed once and not reassigned  
23           by such other person.”.

1 (d) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply with respect to property placed in  
3 service after the date of the enactment of this Act.

4 **SEC. 114. NATURAL GAS VEHICLE BONDS.**

5 (a) IN GENERAL.—Subpart I of part IV of sub-  
6 chapter A of chapter 1 (relating to qualified tax credit  
7 bonds) is amended by adding at the end the following new  
8 section:

9 **“SEC. 54G. NATURAL GAS VEHICLE BONDS.**

10 “(a) NATURAL GAS VEHICLE BOND.—For purposes  
11 of this subpart, the term ‘natural gas vehicle bond’ means  
12 any bond issued as part of an issue if—

13 “(1) 100 percent of the available project pro-  
14 ceeds of such issue are to be used for capital expend-  
15 itures incurred by a governmental body for 1 or  
16 more qualified natural gas vehicle projects placed in  
17 service by such governmental body primarily for gov-  
18 ernmental or public use,

19 “(2) the bond is issued by a governmental body,

20 “(3) the issuer designates such bond for pur-  
21 poses of this section, and

22 “(4) in lieu of the requirements of section  
23 54A(d)(2), the issue meets the requirements of sub-  
24 section (c).

1       “(b) LIMITATION ON AMOUNT OF BONDS DES-  
2   IGNATED.—

3               “(1) IN GENERAL.—The maximum aggregate  
4       face amount of bonds which may be designated  
5       under subsection (a) by any issuer shall not exceed  
6       the limitation amount allocated under this sub-  
7       section to such issuer.

8               “(2) NATIONAL LIMITATION ON AMOUNT OF  
9       BONDS DESIGNATED.—There is a national natural  
10      gas vehicle bond limitation of \$3,000,000,000.

11              “(3) ALLOCATION BY SECRETARY.—The Sec-  
12      retary shall allocate the amount described in para-  
13      graph (2) among qualified natural gas vehicle  
14      projects in such manner as the Secretary determines  
15      appropriate.

16      “(c) SPECIAL RULES RELATING TO EXPENDI-  
17   TURES.—

18              “(1) IN GENERAL.—An issue shall be treated as  
19      meeting the requirements of this subsection if, as of  
20      the date of issuance, the issuer reasonably expects—

21                      “(A) 100 percent or more of the available  
22                      project proceeds of such issue are to be spent  
23                      for 1 or more qualified natural gas vehicle  
24                      projects within the 5-year period beginning on

1 the date of issuance of the natural gas vehicle  
2 bond,

3 “(B) a binding commitment with a third  
4 party to spend at least 10 percent of such avail-  
5 able project proceeds will be incurred within the  
6 6-month period beginning on the date of  
7 issuance of the natural gas vehicle bond, and

8 “(C) such projects will be completed with  
9 due diligence and such available project pro-  
10 ceeds will be spent with due diligence.

11 “(2) EXTENSION OF PERIOD.—Upon submis-  
12 sion of a request prior to the expiration of the period  
13 described in paragraph (1)(A), the Secretary may  
14 extend such period if the issuer establishes that the  
15 failure to satisfy the 5-year requirement is due to  
16 reasonable cause and the related projects will con-  
17 tinue to proceed with due diligence.

18 “(3) FAILURE TO SPEND REQUIRED AMOUNT  
19 OF BOND PROCEEDS WITHIN 5 YEARS.—To the ex-  
20 tent that less than 100 percent of the available  
21 project proceeds of such issue are expended by the  
22 close of the 5-year period beginning on the date of  
23 issuance (or if an extension has been obtained under  
24 paragraph (2), by the close of the extended period),  
25 the issuer shall redeem all of the nonqualified bonds

1 within 90 days after the end of such period. For  
 2 purposes of this paragraph, the amount of the non-  
 3 qualified bonds required to be redeemed shall be de-  
 4 termined in the same manner as under section 142.

5 “(d) GOVERNMENTAL BODY.—For purposes of this  
 6 section, the term ‘governmental body’ means any State or  
 7 Indian tribal government, or any political subdivision  
 8 thereof.

9 “(e) QUALIFIED NATURAL GAS VEHICLE  
 10 PROJECT.—For purposes of this subpart, the term ‘quali-  
 11 fied natural gas vehicle project’ means—

12 “(1) 1 or more new qualified alternative fuel  
 13 motor vehicles which are capable of being powered  
 14 by compressed or liquefied natural gas (within the  
 15 meaning of section 30B(e)(4)), or

16 “(2) 1 or more qualified alternative fuel vehicle  
 17 refueling properties which are used to store and or  
 18 dispense compressed or liquefied natural gas (within  
 19 the meaning of section 30C(c)).

20 “(f) TERMINATION.—This section shall not apply  
 21 with respect to any bond issued after December 31,  
 22 2019.”.

23 (b) CONFORMING AMENDMENTS.—

24 (1) Paragraph (1) of section 54A(d) is amended  
 25 by striking “or” at the end of subparagraph (D), by

1 inserting “or” at the end of subparagraph (E), and  
 2 by inserting after subparagraph (E) the following  
 3 new subparagraph:

4 “(F) a natural gas vehicle bond,”.

5 (2) Subparagraph (C) of section 54A(d)(2) is  
 6 amended by striking “and” at the end of clause (iv),  
 7 by striking the period at the end of clause (v) and  
 8 inserting “, and”, and by adding at the end the fol-  
 9 lowing new clause:

10 “(vi) in the case of a natural gas vehi-  
 11 cle bond, a purpose specified in section  
 12 54G(a)(1).”.

13 (c) CLERICAL AMENDMENT.—The table of sections  
 14 for subpart I of part IV of subchapter A of chapter 1 is  
 15 amended by adding at the end the following new item:

“Sec. 54G. Natural gas vehicle bonds.”.

16 (d) EFFECTIVE DATE.—The amendments made by  
 17 this section shall apply to bonds issued after the date of  
 18 the enactment of this Act.

19 **SEC. 115. MODIFICATION OF CREDIT FOR PURCHASE OF**  
 20 **VEHICLES FUELED BY COMPRESSED NAT-**  
 21 **URAL GAS OR LIQUIFIED NATURAL GAS.**

22 (a) INCREASE IN CREDIT.—Paragraph (2) of section  
 23 30B(e) (relating to applicable percentage) is amended to  
 24 read as follows:

1           “(2) APPLICABLE PERCENTAGE.—For purposes  
2           of paragraph (1), the applicable percentage with re-  
3           spect to any new qualified alternative fuel motor ve-  
4           hicle is—

5                   “(A) except as provided in subparagraphs  
6           (B) and (C)—

7                           “(i) 50 percent, plus

8                           “(ii) 30 percent, if such vehicle—

9                                   “(I) has received a certificate of  
10                                  conformity under the Clean Air Act  
11                                  and meets or exceeds the most strin-  
12                                  gent standard available for certifi-  
13                                  cation under the Clean Air Act for  
14                                  that make and model year vehicle  
15                                  (other than a zero emission standard),  
16                                  or

17                                   “(II) has received an order certi-  
18                                  fying the vehicle as meeting the same  
19                                  requirements as vehicles which may be  
20                                  sold or leased in California and meets  
21                                  or exceeds the most stringent stand-  
22                                  ard available for certification under  
23                                  the State laws of California (enacted  
24                                  in accordance with a waiver granted  
25                                  under section 209(b) of the Clean Air



1 Act) for that make and model year ve-  
 2 hicle (other than a zero emission  
 3 standard),

4 “(B) 80 percent, in the case of vehicles  
 5 that are only capable of operating on com-  
 6 pressed natural gas or liquefied natural gas, or  
 7 mix-fuel vehicles which are capable of operating  
 8 on compressed or liquefied natural gas, and

9 “(C) 50 percent, in the case of vehicles de-  
 10 scribed subsection (e)(4)(A)(i)(II).

11 For purposes of the preceding sentence, in the case  
 12 of any new qualified alternative fuel motor vehicle  
 13 which weighs more than 14,000 pounds gross vehicle  
 14 weight rating, the most stringent standard available  
 15 shall be such standard available for certification on  
 16 the date of the enactment of the Energy Tax Incen-  
 17 tives Act of 2005.”.

18 (b) HIGHER INCREMENTAL COST LIMITS FOR NAT-  
 19 URAL GAS VEHICLES.—Subsection (e) of section 30B (re-  
 20 lating to new qualified alternative fuel motor vehicle cred-  
 21 it) is amended by adding at the end the following new  
 22 paragraph:

23 “(6) HIGHER INCREMENTAL COST LIMITS FOR  
 24 NATURAL GAS VEHICLES.—In the case of new quali-  
 25 fied alternative fuel motor vehicles with respect to

1 vehicles powered by compressed or liquefied natural  
 2 gas, paragraph (3) shall be applied—

3 “(A) in subparagraph (A) by substituting  
 4 ‘\$12,500’ for ‘\$5,000’,

5 “(B) in subparagraph (B) by substituting  
 6 ‘\$20,000’ for ‘\$10,000’,

7 “(C) in subparagraph (C) by substituting  
 8 ‘\$50,000’ for ‘\$25,000’, and

9 “(D) in subparagraph (D) by substituting  
 10 ‘\$80,000’ for ‘\$40,000’.”.

11 (c) EFFECTIVE DATE.—The amendment made by  
 12 this section shall apply to property placed in service after  
 13 the date of the enactment of this Act.

14 **SEC. 116. MODIFICATION OF DEFINITION OF NEW QUALI-**  
 15 **FIED ALTERNATIVE FUEL MOTOR VEHICLE.**

16 (a) IN GENERAL.—Clause (i) of section 30B(e)(4)(A)  
 17 (relating to definition of new qualified alternative fuel  
 18 motor vehicle) is amended to read as follows:

19 “(i) which—

20 “(I) is only capable of operating  
 21 on an alternative fuel, or

22 “(II) is capable of operating on  
 23 compressed or liquefied natural gas  
 24 and gasoline or diesel fuel, but in no  
 25 case shall such vehicle have an oper-

1                   ating range of less than 200 miles on  
2                   compressed or liquefied natural gas.”.

3           (b) CONVERSIONS AND REPOWERS.—Paragraph (4)  
4 of section 30B(e) is amended by adding at the end the  
5 following new subparagraph:

6                   “(C) CONVERSIONS AND REPOWERS.—

7                   “(i) IN GENERAL.—The term ‘new  
8                   qualified alternative fuel motor vehicle’ in-  
9                   cludes the conversion or repower of a new  
10                  or used vehicle so that it is capable of op-  
11                  erating on an alternative fuel as it was not  
12                  previously capable of operating on an alter-  
13                  native fuel.

14                  “(ii) TREATMENT AS NEW.—A vehicle  
15                  which has been converted to operate on an  
16                  alternative fuel shall be treated as new on  
17                  the date of such conversion for purposes of  
18                  this section.

19                  “(iii) RULE OF CONSTRUCTION.—In  
20                  the case of a used vehicle which is con-  
21                  verted or repowered, nothing in this section  
22                  shall be construed to require that the  
23                  motor vehicle be acquired in the year the  
24                  credit is claimed under this section with re-  
25                  spect to such vehicle.”.

1 (c) EFFECTIVE DATE.—The amendments made by  
 2 this section shall apply to property placed in service after  
 3 the date of the enactment of this Act.

4 **Subtitle B—Promote Production of**  
 5 **NGVs by Original Equipment**  
 6 **Manufacturers**

7 **SEC. 121. INCENTIVES FOR MANUFACTURING FACILITIES**  
 8 **PRODUCING VEHICLES FUELED BY COM-**  
 9 **PRESSED OR LIQUIFIED NATURAL GAS.**

10 (a) DEDUCTION FOR MANUFACTURING FACILI-  
 11 TIES.—Part VI of subchapter B of chapter 1 of the Inter-  
 12 nal Revenue Code of 1986 (relating to itemized deductions  
 13 for individuals and corporations) is amended by inserting  
 14 after section 179E the following new section:

15 **“SEC. 179F. EXPENSING FOR MANUFACTURING FACILITIES**  
 16 **PRODUCING VEHICLES FUELED BY COM-**  
 17 **PRESSED NATURAL GAS OR LIQUIFIED NAT-**  
 18 **URAL GAS.**

19 “(a) TREATMENT AS EXPENSES.—A taxpayer may  
 20 elect to treat the applicable percentage of the cost of any  
 21 qualified natural gas vehicle manufacturing facility prop-  
 22 erty as an expense which is not chargeable to a capital  
 23 account. Any cost so treated shall be allowed as a deduc-  
 24 tion for the taxable year in which the qualified manufac-  
 25 turing facility property is placed in service.

1       “(b) APPLICABLE PERCENTAGE.—For purposes of  
2 subsection (a), the applicable percentage is—

3               “(1) 100 percent, in the case of qualified nat-  
4 ural gas vehicle manufacturing facility property  
5 which is placed in service before January 1, 2015,  
6 and

7               “(2) 50 percent, in the case of qualified natural  
8 gas vehicle manufacturing facility property which is  
9 placed in service after December 31, 2014, and be-  
10 fore January 1, 2020.

11       “(c) ELECTION.—

12               “(1) IN GENERAL.—An election under this sec-  
13 tion for any taxable year shall be made on the tax-  
14 payer’s return of the tax imposed by this chapter for  
15 the taxable year. Such election shall be made in such  
16 manner as the Secretary may by regulations pre-  
17 scribe.

18               “(2) ELECTION IRREVOCABLE.—Any election  
19 made under this section may not be revoked except  
20 with the consent of the Secretary.

21       “(d) QUALIFIED NATURAL GAS VEHICLE MANUFAC-  
22 TURING FACILITY PROPERTY.—For purposes of this sec-  
23 tion—

1           “(1) IN GENERAL.—The term ‘qualified natural  
2       gas vehicle manufacturing facility property’ means  
3       any qualified property—

4           “(A) the original use of which commences  
5       with the taxpayer,

6           “(B) which is placed in service by the tax-  
7       payer after the date of the enactment of this  
8       section and before January 1, 2020, and

9           “(C) no written binding contract for the  
10       construction of which was in effect on or before  
11       the date of the enactment of this section.

12       “(2) QUALIFIED PROPERTY.—

13           “(A) IN GENERAL.—The term ‘qualified  
14       property’ means any property which is a facility  
15       or a portion of a facility used for the production  
16       of—

17           “(i) any new qualified alternative fuel  
18       motor vehicle which is capable of being  
19       powered by compressed or liquefied natural  
20       gas (within the meaning of section  
21       30B(e)(4)), or

22           “(ii) any eligible component.

23           “(B) ELIGIBLE COMPONENT.—The term  
24       ‘eligible component’ means any component

1           which is designed specifically for use in such a  
2           new qualified alternative fuel motor vehicle.

3           “(e) SPECIAL RULE FOR DUAL USE PROPERTY.—

4           “(1) IN GENERAL.—In the case of any qualified  
5           natural gas vehicle manufacturing facility property  
6           which is used to produce both property described in  
7           clauses (i) and (ii) of subsection (d)(2)(A) and prop-  
8           erty which is not so described, the amount of costs  
9           taken into account under subsection (a) shall be re-  
10          duced by an amount equal to—

11                   “(A) the total amount of such costs (deter-  
12                   mined before the application of this subsection),  
13                   multiplied by

14                   “(B) the percentage of property expected  
15                   to be produced which is not so described.

16           “(2) REGULATIONS.—The Secretary shall pre-  
17           scribe such regulations as are necessary to carry out  
18           the purpose of this subsection.”.

19           (b) REFUND OF CREDIT FOR PRIOR YEAR MINIMUM  
20           TAX LIABILITY.—Section 53 (relating to credit for prior  
21           year minimum tax liability) is amended by adding at the  
22           end the following new subsection:

23           “(g) ELECTION TO TREAT AMOUNTS ATTRIBUTABLE  
24           TO QUALIFIED MANUFACTURING FACILITY.—

1           “(1) IN GENERAL.—In the case of an eligible  
 2 taxpayer, the amount determined under subsection  
 3 (c) for the taxable year (after the application of sub-  
 4 section (e)) shall be increased by an amount equal  
 5 to the applicable percentage of any qualified natural  
 6 gas vehicle manufacturing facility property which is  
 7 placed in service during the taxable year.

8           “(2) APPLICABLE PERCENTAGE.—For purposes  
 9 of paragraph (1), the applicable percentage is—

10           “(A) 35 percent, in the case of qualified  
 11 natural gas vehicle manufacturing facility prop-  
 12 erty which is placed in service before January  
 13 1, 2015, and

14           “(B) 17.5 percent, in the case of qualified  
 15 natural gas vehicle manufacturing facility prop-  
 16 erty which is placed in service after December  
 17 31, 2014, and before January 1, 2020.

18           “(3) ELIGIBLE TAXPAYER.—For purposes of  
 19 this subsection, the term ‘eligible taxpayer’ means  
 20 any taxpayer—

21           “(A) who places in service qualified natural  
 22 gas vehicle manufacturing facility property dur-  
 23 ing the taxable year,

24           “(B) who does not make an election under  
 25 section 179F(c), and



1           “(C) who makes an election under this  
2           subsection.

3           “(4) OTHER DEFINITIONS AND SPECIAL  
4           RULES.—

5           “(A) QUALIFIED NATURAL GAS VEHICLE  
6           MANUFACTURING FACILITY PROPERTY.—The  
7           term ‘qualified natural gas vehicle manufac-  
8           turing facility property’ has the meaning given  
9           such term under section 179F(d).

10          “(B) SPECIAL RULE FOR DUAL USE PROP-  
11          PERTY.—In the case of any qualified natural gas  
12          vehicle manufacturing facility property which is  
13          used to produce both qualified property (as de-  
14          fined in section 179F(d)) and other property  
15          which is not qualified property, the amount of  
16          costs taken into account under paragraph (1)  
17          shall be reduced by an amount equal to—

18                 “(i) the total amount of such costs  
19                 (determined before the application of this  
20                 subparagraph), multiplied by

21                 “(ii) the percentage of property ex-  
22                 pected to be produced which is not quali-  
23                 fied property.

24          “(C) ELECTION.—

1                   “(i) IN GENERAL.—An election under  
2                   this subsection for any taxable year shall  
3                   be made on the taxpayer’s return of the  
4                   tax imposed by this chapter for the taxable  
5                   year. Such election shall be made in such  
6                   manner as the Secretary may by regula-  
7                   tions prescribe.

8                   “(ii) ELECTION IRREVOCABLE.—Any  
9                   election made under this subsection may  
10                  not be revoked except with the consent of  
11                  the Secretary.

12                  “(5) CREDIT REFUNDABLE.—For purposes of  
13                  this title (other than this section), the credit allowed  
14                  by reason of this subsection shall be treated as if it  
15                  were allowed under subpart C.”.

16                  “(c) EFFECTIVE DATE.—The amendments made by  
17                  this section shall apply to taxable years beginning after  
18                  the date of the enactment of this Act.

1 **Subtitle C—Incentivize the Instal-**  
 2 **lation of Natural Gas Fuel**  
 3 **Pumps at Service Stations and**  
 4 **Depots and Domestic LNG Pro-**  
 5 **duction Facilities for Small En-**  
 6 **ergy Producers**

7 **SEC. 131. EXTENSION AND MODIFICATION OF ALTER-**  
 8 **NATIVE FUEL VEHICLE REFUELING PROP-**  
 9 **ERTY CREDIT.**

10 (a) IN GENERAL.—Subsection (g) of section 30C is  
 11 amended by striking “and” at the end of paragraph (1),  
 12 by redesignating paragraph (2) as paragraph (3), and by  
 13 inserting after paragraph (1) the following new paragraph:

14 “(2) in the case of property relating to com-  
 15 pressed or liquefied natural gas, after December 31,  
 16 2019, and”.

17 (b) EFFECTIVE DATE.—The amendments made by  
 18 subsection (a) shall apply to property placed in service  
 19 after the date of the enactment of this Act.

20 **SEC. 132. INCREASE IN CREDIT FOR CERTAIN ALTER-**  
 21 **NATIVE FUEL VEHICLE REFUELING PROP-**  
 22 **ERTIES.**

23 (a) IN GENERAL.—Subsection (b) of section 30C is  
 24 amended to read as follows:

1       “(b) LIMITATION.—The credit allowed under sub-  
 2 section (a) with respect to all qualified alternative fuel ve-  
 3 hicle refueling property placed in service by the taxpayer  
 4 during the taxable year at a location shall not exceed—

5               “(1) except as provided in paragraph (2),  
 6       \$30,000 in the case of a property of a character  
 7       subject to an allowance for depreciation,

8               “(2) in the case of a compressed natural gas,  
 9       or liquefied natural gas, the lesser of—

10                       “(A) 50 percent of such cost, or

11                       “(B) \$100,000, and

12                       “(3) \$2,000 in any other case.”.

13       (b) EFFECTIVE DATE.—The amendment made by  
 14 this section shall apply to property placed in service in  
 15 taxable years beginning after December 31, 2010.

## 16       **Subtitle D—Natural Gas Vehicles**

### 17       **SEC. 141. NATURAL GAS VEHICLES IN FEDERAL FLEET.**

18       When complying with mandatory Federal fleet alter-  
 19 native fuel vehicle purchase requirements, Federal agen-  
 20 cies shall purchase dedicated alternative fuel vehicles un-  
 21 less the agency can show that alternative fuel is unavail-  
 22 able or purchasing such vehicles would be impractical.

1 **SEC. 142. GRANTS FOR NATURAL GAS VEHICLES RESEARCH**  
2 **AND DEVELOPMENT.**

3 (a) IN GENERAL.—The Secretary of Energy may  
4 make grants to original equipment manufacturers of light  
5 duty and heavy duty natural gas vehicles for the develop-  
6 ment of engines that reduce emissions, improve perform-  
7 ance and efficiency, and lower cost.

8 (b) LIMITATION.—The aggregate amount of grants  
9 under subsection (a) for any fiscal year shall not exceed  
10 \$30,000,000.

11 **SEC. 143. SENSE OF THE SENATE ON EPA CERTIFICATION**  
12 **OF NGV RETROFIT KITS.**

13 It is the sense of the Senate that the Environmental  
14 Protection Agency should streamline the process for cer-  
15 tification of natural gas vehicle retrofit kits to promote  
16 energy security while still fulfilling the mission of the  
17 Clean Air Act.

18 **TITLE II—NUCLEAR ENERGY**

19 **SEC. 201. SHORT TITLE.**

20 This title may be cited as the “Nuclear Energy Ex-  
21 pansion Act of 2010”.

22 **SEC. 202. FINDINGS; SENSE OF SENATE.**

23 (a) FINDINGS.—The Senate finds that—

24 (1) more than 40 years of experience in the  
25 United States relating to commercial nuclear power

1 plants have demonstrated that nuclear reactors can  
2 be operated safely;

3 (2) in 2007, nuclear power plants produced 19  
4 percent of the electricity generated in the United  
5 States;

6 (3) nuclear power plants are the only baseload  
7 source of emission-free electric generation, emitting  
8 no greenhouse gases or criteria pollutants associated  
9 with acid rain, smog, or ozone;

10 (4) in 2007, nuclear power plants in the United  
11 States accounted for more than 73 percent of emis-  
12 sion-free electric generation in the United States;

13 (5) construction of a new nuclear power plant  
14 is estimated to require between 1,400 and 1,800  
15 jobs during a 4-year period, with peak employment  
16 reaching as many as 2,400 workers;

17 (6)(A) once operational, a new nuclear power  
18 plant is estimated to provide 400 to 600 full-time  
19 jobs for up to 60 years; and

20 (B) jobs at nuclear power plants pay, on aver-  
21 age, 40 percent more than other jobs in surrounding  
22 communities;

23 (7) revitalization of a domestic manufacturing  
24 industry to provide nuclear components for new  
25 power plants that can be deployed in the United

1 States and exported for use in global carbon reduc-  
2 tion programs will provide thousands of new, high-  
3 paying jobs and contribute to economic growth in  
4 the United States;

5 (8) data of the Bureau of Labor Statistics dem-  
6 onstrate that it is safer to work in a nuclear power  
7 plant than to work in the real estate or financial sec-  
8 tors;

9 (9) economies of scale, sharing of best operation  
10 and maintenance practices, and the need to attract  
11 engineering students into disciplines important to  
12 the design, construction, and operation of nuclear  
13 power plants combine to make a fleet consisting of  
14 several dozen new nuclear power plants important to  
15 the safe, reliable, and economic construction and op-  
16 eration of each plant in the fleet;

17 (10) the United States has been a world leader  
18 in nuclear science; and

19 (11) institutions of higher education in the  
20 United States will play a critical role in advancing  
21 knowledge about the use and the safety of nuclear  
22 energy for the production of electricity.

23 (b) SENSE OF SENATE.—It is the sense of the Senate  
24 that—

1           (1) Congress should adopt an energy policy that  
 2 encourages the construction of a new fleet of nuclear  
 3 power plants beginning in 2010 and continuing  
 4 through at least 2030;

5           (2) Congress should stimulate private sector in-  
 6 vestment in the manufacturing of nuclear project  
 7 components in the United States; and

8           (3) State and local utility ratemaking authori-  
 9 ties should consider permitting utilities to begin re-  
 10 covering construction costs through approved rates  
 11 during the phase commonly known as the “construc-  
 12 tion work in progress” phase.

## 13           **Subtitle A—Workforce**

### 14   **SEC. 211. TRAINING THE NEXT GENERATION NUCLEAR** 15           **WORKFORCE.**

16           (a) DEFINITION OF APPLICABLE PERIOD.—In this  
 17 section, the term “applicable period” means the 5-year pe-  
 18 riod beginning on January 1, 2012, and each 5-year pe-  
 19 riod thereafter.

20           (b) USE OF FUNDS.—Of amounts made available to  
 21 carry out this section for the calendar years in each appli-  
 22 cable period—

23           (1) the Secretary of Energy shall use such  
 24 amounts for each applicable period as the Secretary  
 25 of Energy determines to be necessary to increase the



1        number and amounts of nuclear science talent ex-  
2        pansion grants and nuclear science competitiveness  
3        grants provided under section 5004 of the America  
4        COMPETES Act (42 U.S.C. 16532);

5            (2) such sums as are necessary shall be made  
6        available to the Secretary of Education for use for  
7        each applicable period to support science primary  
8        and secondary education in the United States; and

9            (3) such sums as are necessary shall be allo-  
10       cated to the Secretary of Labor, in consultation with  
11       nuclear energy entities and organized labor, for use  
12       for each applicable period to expand workforce train-  
13       ing to meet the high demand for workers skilled in  
14       nuclear power plant construction and operation, in-  
15       cluding programs for—

16            (A) electrical craft certification;

17            (B) preapprenticeship career technical edu-  
18        cation for industrialized skilled crafts that are  
19        useful in the construction of nuclear power  
20        plants;

21            (C) community college and skill center  
22        training for nuclear power plant technicians;

23            (D) training of construction management  
24        personnel for nuclear power plant construction  
25        projects; and

1 (E) regional grants for integrated nuclear  
 2 energy workforce development programs.

### 3 **Subtitle B—Nuclear Construction**

#### 4 **SEC. 221. IMPROVEMENTS REGARDING EFFICIENCY OF** 5 **REGULATORY PROCESS.**

6 (a) DEFINITIONS.—In this section:

7 (1) CHAIRMAN.—The term “Chairman” means  
 8 the Chairman of the Nuclear Regulatory Commis-  
 9 sion.

10 (2) EXPEDITED PROCEDURE.—The term “expe-  
 11 dited procedure” means an expedited procedure—

12 (A) for issuing combined construction and  
 13 operating licenses for qualified new nuclear re-  
 14 actors; and

15 (B) established by the Chairman under  
 16 subsection (b)(1).

17 (b) EXPEDITED PROCEDURE.—

18 (1) IN GENERAL.—As soon as practicable after  
 19 the date of enactment of this Act, the Chairman  
 20 shall establish and implement an expedited proce-  
 21 dure for issuing combined construction and oper-  
 22 ating licenses for qualified new nuclear reactors.

23 (2) QUALIFICATIONS.—To qualify for the expe-  
 24 dited procedure, an applicant shall—

1           (A) apply for the construction of a nuclear  
2 reactor based on a design approved by the  
3 Chairman;

4           (B) construct the nuclear reactor on a site  
5 at which an operating nuclear power plant ex-  
6 ists;

7           (C) construct the reactor on a site that has  
8 been granted an early site permit;

9           (D) to the satisfaction of the Chairman,  
10 establish that there exists broad local public  
11 support for the project;

12           (E) as of the date of the application, be an  
13 existing nuclear power plant owner or operator  
14 that—

15               (i) has a substantial record of safe op-  
16 eration; and

17               (ii) is in good standing with the Nu-  
18 clear Regulatory Commission;

19           (F) submit to the Chairman a complete  
20 combined construction and operating license ap-  
21 plication; and

22           (G) demonstrate sufficient financial com-  
23 mitment to the project, and a preparedness to  
24 proceed in earnest once the combined construc-

tion and operating license is issued, as demonstrated by—

(i) the purchase of, or contract to purchase, long-lead materials; or

(ii) the securing of assured financing.

(3) REPORT TO CONGRESS.—

(A) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, in accordance with subparagraph (B), the Chairman shall submit to the appropriate committees of Congress a report that contains recommendations of the Chairman regarding the development and implementation of procedures that would enable the Chairman to pursue a transparent, fact-based process in a nonadversarial environment in which the Chairman would be capable of making, as expeditiously as practicable, decisions based on sound science and engineering.

(B) REQUIREMENTS.—The recommendations to be included in the report under subparagraph (A) shall propose an efficient process that will allow interested parties that have standing to participate in the proceedings to

1           raise legitimate concerns to be heard and re-  
2           solved without undue delay.

3           (c) REPORT REGARDING TECHNOLOGY-NEUTRAL  
4 PLANT DESIGN SPECIFICATIONS.—Not later than 1 year  
5 after the date of enactment of this Act, the Chairman shall  
6 submit to the appropriate committees of Congress a report  
7 that contains an outline of an approach that will enable  
8 the Chairman to develop technology-neutral guidelines for  
9 nuclear plant licensing in the future, which will allow for  
10 a more seamless entry of new technologies into the mar-  
11 ketplace.

12          (d) ADDITIONAL FUNDING AND PERSONNEL RE-  
13 SOURCES.—Not later than 90 days after the date of enact-  
14 ment of this Act, the Chairman shall submit to Congress  
15 a request for such additional funding and personnel re-  
16 sources as are necessary to carry out subsections (b) and  
17 (c).

18          (e) NATIONAL LABORATORY SUPPORT.—Each Na-  
19 tional Laboratory with expertise in the field of nuclear en-  
20 ergy, in coordination with the Chairman, shall dedicate  
21 personnel for the support of the expedited licensing proce-  
22 dures under subsection (b).

23          (f) INSPECTIONS, TESTS, ANALYSES, AND ACCEPT-  
24 ANCE CRITERIA.—Section 189 a.(1)(B) of the Atomic En-  
25 ergy Act of 1954 (42 U.S.C. 2239(a)(1)(B)) is amended—

1           (1) by striking clause (ii) and inserting the fol-  
 2       lowing:

3                       “(ii) STANDARD FOR HEARING.—A re-  
 4                       quest for hearing under clause (i) shall  
 5                       present substantial evidence that—

6                               “(I) creates a genuine issue of  
 7                               material fact regarding whether 1 or  
 8                               more of the acceptance criteria in the  
 9                               combined license have been met or will  
 10                              be met; and

11                             “(II) describes the specific oper-  
 12                             ational consequences of nonperform-  
 13                             ance that would be contrary to pro-  
 14                             viding reasonable assurance of ade-  
 15                             quate protection of public health and  
 16                             safety.”;

17           (2) in the second sentence of clause (iii), by  
 18       striking “prima facie showing” and inserting “evi-  
 19       dence”;

20           (3) by striking clause (iv) and inserting the fol-  
 21       lowing:

22                       “(iv) INFORMAL HEARING PROCE-  
 23                       DURES.—The Commission shall—

24                             “(I) to the maximum extent prac-  
 25                             ticable, use informal hearing proce-

1                   dures that rely on written submissions  
2                   of the parties for any hearing under  
3                   clause (i); and

4                   “(II) if the Commission deter-  
5                   mines not to use informal hearing  
6                   procedures, provide to the parties a  
7                   statement describing the rationale for  
8                   the determination.”; and

9                   (4) in the first sentence of clause (v), by strik-  
10                  ing “, to the maximum possible extent,”.

11                 (g) PUBLIC HEALTH AND SAFETY.—

12                 (1) EFFECT OF SECTION.—Nothing in this sec-  
13                 tion supersedes, mitigates, detracts from, or in any-  
14                 way decreases the ability of the Chairman to main-  
15                 tain the highest possible levels of public health and  
16                 safety standards for nuclear facilities in the United  
17                 States.

18                 (2) EFFECT OF AUTHORITY PROVIDED BY SEC-  
19                 TION.—No authority provided by this section shall  
20                 be executed in a manner that jeopardizes, minimizes,  
21                 reduces, or lessens any public health or safety stand-  
22                 ard.

1 **SEC. 222. TITLE 17 INNOVATIVE TECHNOLOGY LOAN GUAR-**  
 2 **ANTEE PROGRAM.**

3 The matter under the heading “TITLE 17 INNOVA-  
 4 TIVE TECHNOLOGY LOAN GUARANTEE PROGRAM” under  
 5 the heading “ENERGY PROGRAMS” under the heading  
 6 “DEPARTMENT OF ENERGY” of title III of division  
 7 C of the Omnibus Appropriations Act, 2009 (Public Law  
 8 111–8; 123 Stat. 619) is amended, in the matter pre-  
 9 ceding the first proviso—

10 (1) by striking “\$47,000,000,000” and insert-  
 11 ing “\$100,000,000,000”; and

12 (2) by striking “\$18,500,000,000” and insert-  
 13 ing “\$54,000,000,000”.

14 **SEC. 223. STANDBY SUPPORT FOR CERTAIN NUCLEAR**  
 15 **PLANT DELAYS.**

16 (a) DEFINITIONS.—Section 638(a) of the Energy  
 17 Policy Act of 2005 (42 U.S.C. 16014(a)) is amended—

18 (1) by redesignating paragraph (4) as para-  
 19 graph (7); and

20 (2) by inserting after paragraph (3) the fol-  
 21 lowing:

22 “(4) FULL POWER OPERATION.—The term ‘full  
 23 power operation’, with respect to a facility, means  
 24 the earlier of—



1           “(A) the commercial operation date (or the  
2           equivalent under the terms of the financing doc-  
3           uments for the facility); and

4           “(B) the date on which the facility  
5           achieves operation at an average nameplate ca-  
6           pacity of 50 percent or more during any con-  
7           secutive 30-day period after the completion of  
8           startup testing for the facility.

9           “(5) INCREASED PROJECT COSTS.—The term  
10          ‘increased project costs’ means the increased cost of  
11          constructing, commissioning, testing, operating, or  
12          maintaining a reactor prior to full-power operation  
13          incurred as a result of a delay covered by the con-  
14          tract, including costs of demobilization and re-  
15          mobilization, increased costs of equipment, materials  
16          and labor due to delay (including idle time), in-  
17          creased general and administrative costs, and esca-  
18          lation costs for completing construction.

19          “(6) LITIGATION.—The term ‘litigation’ means  
20          any—

21                 “(A) adjudication in Federal, State, local,  
22                 or tribal court; and

23                 “(B) any administrative proceeding or  
24                 hearing before a Federal, State, local, or tribal  
25                 agency or administrative entity.”.

1 (b) CONTRACT AUTHORITY.—Section 638(b) of the  
2 Energy Policy Act of 2005 (42 U.S.C. 16014(b)) is  
3 amended by striking paragraph (1) and inserting the fol-  
4 lowing:

5 “(1) CONTRACTS.—

6 “(A) IN GENERAL.—The Secretary may  
7 enter into contracts under this section with  
8 sponsors of an advanced nuclear facility that  
9 cover at any 1 time a total of not more than  
10 12 reactors, which shall consist of not less than  
11 2 nor more than 4 different reactor designs, in  
12 accordance with paragraph (2).

13 “(B) REPLACEMENT CONTRACTS.—If any  
14 contract entered into under this section termi-  
15 nates or expires without a claim being paid by  
16 the Secretary under the contract, the Secretary  
17 may enter into a new contract under this sec-  
18 tion in replacement of the contract.”.

19 (c) COVERED COSTS.—Section 638(d) of the Energy  
20 Policy Act of 2005 (42 U.S.C. 16014(d)) is amended by  
21 striking paragraphs (2) and (3) and inserting the fol-  
22 lowing:

23 “(2) COVERAGE.—In the case of reactors that  
24 receive combined licenses and on which construction  
25 is commenced, the Secretary shall pay—

1           “(A) 100 percent of the covered costs of  
 2           delay that occur after the initial 30-day period  
 3           of covered delay; but

4           “(B) not more than \$500,000,000 per con-  
 5           tract.

6           “(3) COVERED DEBT OBLIGATIONS.—Debt obli-  
 7           gations covered under subparagraph (A) of para-  
 8           graph (5) shall include debt obligations incurred to  
 9           pay increased project costs.”.

10          (d) DISPUTE RESOLUTION.—Section 638 of the En-  
 11         ergy Policy Act of 2005 (42 U.S.C. 16014) is amended—

12                 (1) by redesignating subsections (f) through (h)  
 13                 as subsections (g) through (i), respectively; and

14                 (2) by inserting after subsection (e) the fol-  
 15                 lowing:

16                 “(f) DISPUTE RESOLUTION.—

17                         “(1) IN GENERAL.—Any controversy or claim  
 18                         arising out of or relating to any contract entered  
 19                         into under this section shall be determined by arbi-  
 20                         tration in Washington, DC, in accordance with the  
 21                         applicable Commercial Arbitration Rules of the  
 22                         American Arbitration Association.

23                         “(2) TREATMENT OF DECISION.—A decision by  
 24                         an arbitrator shall be final and binding, and the  
 25                         United district court for Washington, DC, or the

1 district in which the project is located shall have ju-  
 2 risdiction to enter judgment on the decision.”.

3 (e) QUARTERLY REPORTS BY COMMISSIONS.—Sec-  
 4 tion 638 of the Energy Policy Act of 2005 (42 U.S.C.  
 5 16014) (as amended by subsection (d)) is amended by  
 6 striking subsection (g) and inserting the following:

7 “(g) QUARTERLY REPORTS BY COMMISSION.—Effec-  
 8 tive beginning not later than 90 days after the date of  
 9 enactment of the Next Generation Energy Security Act  
 10 of 2010, the Commission shall submit to the Committee  
 11 on Appropriations, and the Committee on Energy and  
 12 Natural Resources, of the Senate and the Committee on  
 13 Appropriations, and the Committee on Energy and Com-  
 14 merce, of the House of Representatives a quarterly report  
 15 that—

16 “(1) describes the status of licensing actions as-  
 17 sociated with each advanced nuclear facility that is  
 18 being licensed by the Commission, or covered by a  
 19 contract under this section;

20 “(2) describes the schedules for completion of  
 21 the licensing actions, including licensing milestones;  
 22 and

23 “(3) as necessary, provides an explanation for  
 24 why licensing milestones have not been met.”.

**1 Subtitle C—Extension of Duty Sus-**  
**2 pension for Certain Nuclear**  
**3 Parts**

**4 SEC. 231. EXTENSION OF DUTY SUSPENSION FOR CERTAIN**  
**5 PARTS FOR NUCLEAR FACILITIES.**

**6 (a) STEAM GENERATORS.**—Heading 9902.84.02 of  
**7 the Harmonized Tariff Schedule of the United States is**  
**8 amended to read as follows:**

“	9902.84.02	Watertube boilers with a steam production exceeding 45t per hour, for use in nuclear facilities (provided for in subheading 8402.11.00), entered after 12/31/2008 and on or before 12/31/2020, if the contract for the purchase of such watertube boilers is entered into on or before the date on which the Secretary of Energy certifies to the Secretary of Homeland Security that one or more manufacturers are capable of producing such watertube boilers in the United States .....	Free	No change	No change	On or before 12/31/2020	”.
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**9 (b) REACTOR VESSEL HEADS AND PRESSURIZERS.**—  
**10 Heading 9902.84.03 of the Harmonized Tariff Schedule**  
**11 of the United States is amended to read as follows:**

“	9902.84.03	Reactor vessel heads and pressurizers for nuclear reactors (provided for in subheading 8401.40.00), entered after 12/31/2008 and on or before 12/31/2020, if the contract for the purchase of such heads and pressurizers is entered into on or before the date on which the Secretary of Energy certifies to the Secretary of Homeland Security that one or more manufacturers are capable of producing such heads and pressurizers in the United States	Free	No change	No change	On or before 12/31/2020	”.
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**12 (c) EFFECTIVE DATE.**—

1           (1) IN GENERAL.—The amendments made by  
2       subsections (a) and (b) apply to articles entered, or  
3       withdrawn from warehouse for consumption, on or  
4       after the date that is 15 days after the date of the  
5       enactment of this Act.

6           (2) RETROACTIVE APPLICATION.—Notwith-  
7       standing section 514 of the Tariff Act of 1930 (19  
8       U.S.C. 1504) or any other provision of law, upon  
9       proper request filed with U.S. Customs and Border  
10      Protection not later than the date that is 90 days  
11      after the date of the enactment of this Act, any  
12      entry of an article described in heading 9902.84.02  
13      or 9902.84.03 of the Harmonized Tariff Schedule of  
14      the United States (as amended by this section) that  
15      was made—

16           (A) on or after January 1, 2009, and

17           (B) before the date that is 15 days after  
18      the date of the enactment of this Act,

19      shall be liquidated or reliquidated as though the  
20      amendments made by this section applied to the  
21      entry.

22           (3) PROPER REQUESTS.—For purposes of para-  
23      graph (2), a proper request means a request for liq-  
24      uidation or reliquidation that contains sufficient in-

1 formation to enable U.S. Customs and Border Pro-  
 2 tection—

3 (A) to locate the entry; or

4 (B) to reconstruct the entry if the entry  
 5 cannot be located.

6 (4) ENTRY DEFINED.—In this subsection, the  
 7 term “entry” includes a withdrawal from warehouse  
 8 for consumption.

## 9 **Subtitle D—Tax Provisions**

### 10 **SEC. 241. SPECIAL RULES FOR DEPRECIATION PERIOD FOR** 11 **NEW NUCLEAR POWER PLANTS.**

12 (a) 5-YEAR RECOVERY PERIOD.—

13 (1) IN GENERAL.—Subparagraph (B) of section  
 14 168(e)(3) of the Internal Revenue Code of 1986 is  
 15 amended by striking “and” at the end of clause  
 16 (vi)(III), by striking the period at the end of clause  
 17 (vii) and inserting “, and”, and by inserting after  
 18 clause (vii) the following new clause:

19 “(viii) any property—

20 “(I) which is an advanced nu-  
 21 clear power facility (as defined in sec-  
 22 tion 45J(d)(1), determined without  
 23 regard to subparagraph (B) thereof)  
 24 the original use of which commences

1 with the taxpayer after the date of the  
 2 enactment of this clause, and  
 3 “(II) with respect to which the  
 4 taxpayer makes an election under this  
 5 subclause.”.

6 (2) CONFORMING AMENDMENT.—Section  
 7 168(e)(3)(E)(vii) of the Internal Revenue Code of  
 8 1986 is amended by inserting “and not described in  
 9 subparagraph (B)(viii) of this paragraph” after  
 10 “section 1245(a)(3)”.

11 (b) SPECIAL RULES FOR PROPERTY FOR WHICH NO  
 12 ELECTION IS MADE.—

13 (1) IN GENERAL.—Subsection (i) of section 168  
 14 of the Internal Revenue Code of 1986 is amended by  
 15 adding at the end the following new paragraph:

16 “(20) SPECIAL RULES FOR ADVANCED NU-  
 17 CLEAR POWER FACILITIES.—

18 “(A) IN GENERAL.—The amount of any  
 19 non-electing advanced nuclear power facility  
 20 which is required to be included in the cost of  
 21 service for ratemaking purposes with respect to  
 22 the taxpayer in a year prior to the year such  
 23 non-electing nuclear power facility is placed in  
 24 service—



1 “(i) shall be treated as a separate tan-  
 2 gible asset of the taxpayer for purposes of  
 3 this section, and

4 “(ii) shall be treated as placed in serv-  
 5 ice in the taxable year in which such  
 6 amount is required to be included in the  
 7 cost of service for ratemaking purposes.

8 “(B) REDUCTION IN BASIS.—The basis of  
 9 any non-electing advanced nuclear power facil-  
 10 ity shall be reduced by any amount to which  
 11 subparagraph (A) applies.

12 “(C) NON-ELECTING ADVANCED NUCLEAR  
 13 POWER FACILITY.—For purposes of this para-  
 14 graph, the term ‘non-electing advanced nuclear  
 15 power facility’ means any property described in  
 16 subsection (e)(3)(E)(viii)(I) with respect to  
 17 which no election is in effect under subsection  
 18 (e)(3)(E)(viii)(II).”.

19 (c) EFFECTIVE DATES.—

20 (1) 5-YEAR RECOVERY PERIOD.—The amend-  
 21 ments made by subsection (a) shall apply to prop-  
 22 erty placed in service after the date of the enactment  
 23 of this Act.

1           (2) SPECIAL RULES.—The amendment made by  
 2       subsection (b) shall apply to amounts paid or in-  
 3       curred after the date of the enactment of this Act.

4   **SEC. 242. INVESTMENT TAX CREDIT FOR NUCLEAR POWER**  
 5           **FACILITIES.**

6       (a) NEW CREDIT FOR NUCLEAR POWER FACILI-  
 7       TIES.—Section 46 of the Internal Revenue Code of 1986  
 8       is amended—

9           (1) by striking “and” at the end of paragraph  
 10       (5);

11          (2) by striking the period at the end of para-  
 12       graph (6) and inserting “; and”; and

13          (3) by inserting after paragraph (6) the fol-  
 14       lowing new paragraph:

15           “(7) the nuclear power facility construction  
 16       credit.”.

17       (b) NUCLEAR POWER FACILITY CONSTRUCTION  
 18       CREDIT.—Subpart E of part IV of subchapter A of chap-  
 19       ter 1 of the Internal Revenue Code of 1986 is amended  
 20       by inserting after section 48D the following new section:

21   **“SEC. 48E. NUCLEAR POWER FACILITY CONSTRUCTION**  
 22           **CREDIT.**

23       “(a) IN GENERAL.—For purposes of section 46, the  
 24       nuclear power facility construction credit for any taxable  
 25       year is 10 percent of the qualified nuclear power facility

1 expenditures with respect to a qualified nuclear power fa-  
 2 cility.

3 “(b) WHEN EXPENDITURES TAKEN INTO AC-  
 4 COUNT.—

5 “(1) IN GENERAL.—Qualified nuclear power fa-  
 6 cility expenditures shall be taken into account for  
 7 the taxable year in which the qualified nuclear power  
 8 facility is placed in service.

9 “(2) COORDINATION WITH SUBSECTION (c).—  
 10 The amount which would (but for this paragraph) be  
 11 taken into account under paragraph (1) with respect  
 12 to any qualified nuclear power facility shall be re-  
 13 duced (but not below zero) by any amount of quali-  
 14 fied nuclear power facility expenditures taken into  
 15 account under subsection (c) by the taxpayer or a  
 16 predecessor of the taxpayer, to the extent any  
 17 amount so taken into account under subsection (c)  
 18 has not been required to be recaptured under section  
 19 50(a).

20 “(c) PROGRESS EXPENDITURES.—

21 “(1) IN GENERAL.—A taxpayer may elect to  
 22 take into account qualified nuclear power facility ex-  
 23 penditures—

24 “(A) in the case of a qualified nuclear  
 25 power facility which is a self-constructed facil-

1           ity, no earlier than the taxable year for which  
2           such expenditures are properly chargeable to  
3           capital account with respect to such facility,  
4           and

5           “(B) in the case of a qualified nuclear fa-  
6           cility which is not self-constructed property, no  
7           earlier than the taxable year in which such ex-  
8           penditures are paid.

9           “(2) SPECIAL RULES FOR APPLYING PARA-  
10          GRAPH (1).—For purposes of paragraph (1)—

11           “(A) COMPONENT PARTS, ETC.—Notwith-  
12          standing that a qualified nuclear power facility  
13          is a self-constructed facility, property described  
14          in paragraph (3)(B) shall be taken into account  
15          in accordance with paragraph (1)(B), and such  
16          amounts shall not be included in determining  
17          qualified nuclear power facility expenditures  
18          under paragraph (1)(A).

19           “(B) CERTAIN BORROWING DIS-  
20          REGARDED.—Any amount borrowed directly or  
21          indirectly by the taxpayer on a nonrecourse  
22          basis from the person constructing the facility  
23          for the taxpayer shall not be treated as an  
24          amount expended for such facility.

1                   “(C) LIMITATION FOR FACILITIES OR COM-  
 2                   PONENTS WHICH ARE NOT SELF-CON-  
 3                   STRUCTED.—

4                   “(i) IN GENERAL.—In the case of a  
 5                   facility or a component of a facility which  
 6                   is not self-constructed, the amount taken  
 7                   into account under paragraph (1)(B) for  
 8                   any taxable year shall not exceed the ex-  
 9                   cess of—

10                   “(I) the product of the overall  
 11                   cost to the taxpayer of the facility or  
 12                   component of a facility, multiplied by  
 13                   the percentage of completion of the  
 14                   facility or component of a facility,  
 15                   over

16                   “(II) the amount taken into ac-  
 17                   count under paragraph (1)(B) for all  
 18                   prior taxable years as to such facility  
 19                   or component of a facility.

20                   “(ii) CARRYOVER OF CERTAIN  
 21                   AMOUNTS.—In the case of a facility or  
 22                   component of a facility which is not self-  
 23                   constructed, if for the taxable year the  
 24                   amount which (but for clause (i)) would  
 25                   have been taken into account under para-

graph (1)(B) exceeds the amount allowed  
by clause (i), then the amount of such excess shall increase the amount taken into account under paragraph (1)(B) for the succeeding taxable year without regard to this paragraph.

“(D) DETERMINATION OF PERCENTAGE OF COMPLETION.—The determination under subparagraph (C) of the portion of the overall cost to the taxpayer of the construction which is properly attributable to construction completed during any taxable year shall be made on the basis of engineering or architectural estimates or on the basis of cost accounting records, using information available at the close of the taxable year in which the credit is being claimed.

“(E) DETERMINATION OF OVERALL COST.—The determination under subparagraph (C) of the overall cost to the taxpayer of the construction of a facility shall be made on the basis of engineering or architectural estimates or on the basis of cost accounting records, using information available at the close of the

1 taxable year in which the credit is being  
2 claimed.

3 “(F) NO PROGRESS EXPENDITURES FOR  
4 PROPERTY FOR YEAR PLACED IN SERVICE,  
5 ETC.—In the case of any qualified nuclear facil-  
6 ity, no qualified nuclear facility expenditures  
7 shall be taken into account under this sub-  
8 section for the earlier of—

9 “(i) the taxable year in which the fa-  
10 cility is placed in service, or

11 “(ii) the first taxable year for which  
12 recapture is required under section  
13 50(a)(2) with respect to such facility or for  
14 any taxable year thereafter.

15 “(3) SELF-CONSTRUCTED.—For purposes of  
16 this subsection—

17 “(A) IN GENERAL.—The term ‘self-con-  
18 structed facility’ means any facility if, at the  
19 close of the first taxable year to which the elec-  
20 tion in this subsection applies, it is reasonable  
21 to believe that more than 80 percent of the  
22 qualified nuclear facility expenditures for such  
23 facility will be made directly by the taxpayer.

24 “(B) TREATMENT OF COMPONENTS.—A  
25 component of a facility shall be treated as not

1 self-constructed if, at the close of the first tax-  
 2 able year in which expenditures for the compo-  
 3 nent are paid, it is reasonable to believe that  
 4 the cost of the component is at least 5 percent  
 5 of the expected cost of the facility.

6 “(4) ELECTION.—An election shall be made  
 7 under this subsection for a qualified nuclear power  
 8 facility by claiming the nuclear power facility con-  
 9 struction credit for expenditures described in para-  
 10 graph (1) on the taxpayer’s return of the tax im-  
 11 posed by this chapter for the taxable year. Such an  
 12 election shall apply to the taxable year for which  
 13 made and all subsequent taxable years. Such an  
 14 election, once made, may be revoked only with the  
 15 consent of the Secretary.

16 “(d) DEFINITIONS AND SPECIAL RULES.—For pur-  
 17 poses of this section—

18 “(1) QUALIFIED NUCLEAR POWER FACILITY.—  
 19 The term ‘qualified nuclear power facility’ means an  
 20 advanced nuclear facility (as defined in section  
 21 45J(d)(2))—

22 “(A) which, when placed in service, will  
 23 use nuclear power to produce electricity,



1           “(B) the construction of which is approved  
2           by the Nuclear Regulatory Commission on or  
3           before December 31, 2020, and

4           “(C) which is placed in service before Jan-  
5           uary 1, 2030.

6           Such term shall not include any property which is  
7           part of a facility the production from which is al-  
8           lowed as a credit under section 45 for the taxable  
9           year or any prior taxable year.

10           “(2) QUALIFIED NUCLEAR POWER FACILITY  
11           EXPENDITURES.—

12           “(A) IN GENERAL.—The term ‘qualified  
13           nuclear power facility expenditures’ means any  
14           amount paid, accrued, or properly chargeable to  
15           capital account—

16           “(i) with respect to a qualified nuclear  
17           power facility,

18           “(ii) for which depreciation will be al-  
19           lowable under section 168 once the facility  
20           is placed in service, and

21           “(iii) which is incurred before the  
22           qualified nuclear power facility is placed in  
23           service or in connection with the placement  
24           of such facility in service.

1           “(B) PRE-EFFECTIVE DATE EXPENDI-  
2           TURES.—Qualified nuclear power facility ex-  
3           penditures do not include any expenditures in-  
4           curred by the taxpayer before January 1, 2010,  
5           to the extent that, at the close of the first tax-  
6           able year to which the election in subsection (c)  
7           applies, it is reasonable to believe that such ex-  
8           penditures will constitute more than 20 percent  
9           of the total qualified nuclear power facility ex-  
10          penditures.

11          “(3) DELAYS AND SUSPENSION OF CONSTRUC-  
12          TION.—

13               “(A) IN GENERAL.—Except for sales or  
14               dispositions between members of the same af-  
15               filiated group, for purposes of applying this sec-  
16               tion and section 50, a nuclear power facility  
17               that is under construction shall cease, with re-  
18               spect to the taxpayer, to be a qualified nuclear  
19               power facility as of the date on which the tax-  
20               payer sells, disposes of, or cancels, abandons, or  
21               otherwise terminates the construction of, the fa-  
22               cility.

23               “(B) RESUMPTION OF CONSTRUCTION.—If  
24               a nuclear power facility that is under construc-  
25               tion ceases, with respect to the taxpayer, to be

1 a qualified nuclear power facility by reason of  
 2 subparagraph (A) and work is subsequently re-  
 3 sumed on the construction of such facility, the  
 4 qualified nuclear power facility expenditures  
 5 shall be determined without regard to any delay  
 6 or temporary termination of construction of the  
 7 facility.

8 “(4) SPECIAL RULE FOR PUBLIC-PRIVATE  
 9 PARTNERSHIPS.—

10 “(A) IN GENERAL.—In the case of an  
 11 qualified nuclear power facility which is owned  
 12 by a public-private partnership or co-owned by  
 13 a qualified public entity and a non-public entity,  
 14 any qualified public entity which is a member of  
 15 such partnership or a co-owner of such facility  
 16 may transfer such entity’s credit under sub-  
 17 section (a) to any non-public entity which is a  
 18 member of such partnership or which is a co-  
 19 owner of such facility, except that the aggregate  
 20 credits transferred to such non-public entity  
 21 shall be subject to the limitations under sub-  
 22 sections (b) and (c) and section 38.

23 “(B) QUALIFIED PUBLIC ENTITY.—For  
 24 purposes of this subsection, the term ‘qualified  
 25 public entity’ means—

1 “(i) a Federal, State, or local govern-  
 2 ment entity, or any political subdivision or  
 3 agency or instrumentality thereof,

4 “(ii) a mutual or cooperative electric  
 5 company described in section 501(c)(12) or  
 6 section 1381(a)(2), or

7 “(iii) a not-for-profit electric utility  
 8 which has or had received a loan or loan  
 9 guarantee under the Rural Electrification  
 10 Act of 1936.

11 “(C) VERIFICATION OF TRANSFER OF AL-  
 12 LOCATION.—A qualified public entity that  
 13 makes a transfer under paragraph (1), and a  
 14 nonpublic entity that receives such a transfer,  
 15 shall provide verification of such transfer in  
 16 such manner and at such time as the Secretary  
 17 shall prescribe.

18 “(e) APPLICATION OF OTHER RULES.—Rules similar  
 19 to the rules of subsections (c)(4) and (d) of section 46  
 20 (as in effect on the day before the enactment of the Rev-  
 21 enue Reconciliation Act of 1990) shall apply for purposes  
 22 of this section to the extent not inconsistent herewith.”.

23 (c) PROVISIONS RELATING TO CREDIT RECAP-  
 24 TURE.—

1           (1)   PROGRESS   EXPENDITURE   RECAPTURE  
2   RULES.—

3           (A)   BASIC   RULES.—Subparagraph (A) of  
4           section 50(a)(2) of the Internal Revenue Code  
5           of 1986 is amended to read as follows:

6           “(A) IN GENERAL.—If during any taxable  
7           year any building to which section 47(d) applied  
8           or any facility to which section 48E(c) applied  
9           ceases (by reason of sale or other disposition,  
10          cancellation or abandonment of contract, or  
11          otherwise) to be, with respect to the taxpayer,  
12          property which, when placed in service, will be  
13          a qualified rehabilitated building or a qualified  
14          nuclear power facility, then the tax under this  
15          chapter for such taxable year shall be increased  
16          by an amount equal to the aggregate decrease  
17          in the credits allowed under section 38 for all  
18          prior taxable years which would have resulted  
19          solely from reducing to zero the credit deter-  
20          mined under this subpart with respect to such  
21          building or facility.”.

22          (B)   AMENDMENT TO EXCESS CREDIT RE-  
23          CAPTURE RULE.—Subparagraph (B) of section  
24          50(a)(2) of such Code is amended by—

1 (i) inserting “or paragraph (2) of sec-  
 2 tion 48E(b)” after “paragraph (2) of sec-  
 3 tion 47(b)”;

4 (ii) inserting “or section 48E(b)(1)”  
 5 after “section 47(b)(1)”; and

6 (iii) inserting “or facility” after  
 7 “building”.

8 (C) AMENDMENT OF SALE AND LEASE-  
 9 BACK RULE.—Subparagraph (C) of section  
 10 50(a)(2) of such Code is amended by inserting  
 11 “or the qualified nuclear power facility expendi-  
 12 tures under section 48E(c)” after “47(d)”.

13 (D) COORDINATION.—Subparagraph (D)  
 14 of section 50(a)(2) of such Code is amended by  
 15 inserting “or 48E(c)” after “section 47(d)”.

16 (d) APPLICATION OF AT-RISK RULES.—Subpara-  
 17 graph (C) of section 49(a)(1) of the Internal Revenue  
 18 Code of 1986 is amended—

19 (1) by striking “and” at the end of clause (v);

20 (2) by striking the period at the end of clause  
 21 (vi) and inserting “, and”; and

22 (3) by inserting after clause (vi) the following  
 23 new clause:

1                   “(vii) the basis of any property which  
2                   is part of a qualified nuclear power facility  
3                   under section 48E.”.

4           (e) DENIAL OF DOUBLE BENEFIT.—Subsection (c)  
5 of section 45J of the Internal Revenue Code of 1986 (re-  
6 lating to other limitations) is amended by adding at the  
7 end the following new paragraph:

8                   “(3) DENIAL OF DOUBLE BENEFIT.—No credit  
9           shall be allowed under this section with respect to  
10          any facility for which a credit is allowed under sec-  
11          tion 48C or 48E for such taxable year or any prior  
12          taxable year.”.

13          (f) CLERICAL AMENDMENT.—The table of sections  
14 for subpart E of part IV of subchapter A of chapter 1  
15 of the Internal Revenue Code of 1986 is amended by in-  
16 serting after the item relating to section 48D the following  
17 new item:

          “Sec. 48E. Nuclear power facility construction credit.”.

18          (g) EFFECTIVE DATE.—The amendments made by  
19 this section shall apply to expenditures incurred and prop-  
20 erty placed in service in taxable years beginning after the  
21 date of enactment of this Act.

1 **SEC. 243. INCLUSION OF NUCLEAR POWER FACILITIES IN**  
 2 **QUALIFYING ADVANCED ENERGY PROJECT**  
 3 **CREDIT.**

4 (a) IN GENERAL.—Subparagraph (A) of section  
 5 48C(c)(1) of the Internal Revenue Code of 1986 is amend-  
 6 ed by striking “or” at the end of subclause (VI), by redes-  
 7 ignating subclause (VII) as subclause (VIII) and , and by  
 8 inserting after subclause (VI) the following new subclause:

9 “(VII) property designed to be  
 10 used to produce energy from an ad-  
 11 vanced nuclear power facility (as de-  
 12 fined in section 45J(d)(1), determined  
 13 without regard to subparagraph (B)  
 14 thereof), or”.

15 (b) INCREASE IN CREDIT ALLOCATION LIMITA-  
 16 TION.—Subparagraph (B) of section 48C(d)(1) of the In-  
 17 ternal Revenue Code of 1986 is amended by striking  
 18 “\$2,300,000,000” and inserting “\$5,000,000,000”.

19 (c) EXTENSION OF APPLICATION PERIOD.—Subpara-  
 20 graph (A) of section 48C(d)(2) of the Internal Revenue  
 21 Code of 1986 is amended by striking “2-year period” and  
 22 inserting “3-year period”.

23 (d) EXTENSION OF PERIOD OF ISSUANCE.—Subpara-  
 24 graph (C) of section 48C(d)(2) of the Internal Revenue  
 25 Code of 1986 is amended by striking “3 years” and insert-  
 26 ing “5 years”.



1 (e) COORDINATION WITH NUCLEAR POWER FACIL-  
 2 ITY CONSTRUCTION CREDIT.—Subsection (e) of section  
 3 48C of the Internal Revenue Code of 1986 is amended  
 4 by striking “or 48B” and inserting “48B, or 48D”.

5 (f) EFFECTIVE DATE.—The amendments made by  
 6 this section shall apply to periods beginning after the date  
 7 of the enactment of this Act, under rules similar to the  
 8 rules of section 48(m) of the Internal Revenue Code of  
 9 1986 (as in effect on the day before the date of the enact-  
 10 ment of the Revenue Reconciliation Act of 1990).

11 **SEC. 244. MODIFICATION OF CREDIT FOR PRODUCTION**  
 12 **FROM ADVANCED NUCLEAR POWER FACILI-**  
 13 **TIES.**

14 (a) IN GENERAL.—

15 (1) INCREASE IN NATIONAL LIMITATION.—  
 16 Paragraph (2) of section 45J(b) of the Internal Rev-  
 17 enue Code (relating to national limitation) is amend-  
 18 ed by striking “6,000 megawatts” and inserting  
 19 “8,000 megawatts”.

20 (2) EXTENSION OF CREDIT.—Subparagraph  
 21 (B) of section 45J(d)(1) of the Internal Revenue  
 22 Code of 1986 is amended by striking “2021” and in-  
 23 serting “2031”.

24 (b) ALLOCATION OF CREDIT TO PRIVATE PARTNERS  
 25 OF TAX-EXEMPT ENTITIES.—

1           (1) IN GENERAL.—Section 45J of the Internal  
 2       Revenue Code of 1986 (relating to credit for produc-  
 3       tion from advanced nuclear power facilities) is  
 4       amended—

5                   (A) by redesignating subsection (e) as sub-  
 6       section (f); and

7                   (B) by inserting after subsection (d) the  
 8       following new subsection:

9       “(e) SPECIAL RULE FOR PUBLIC-PRIVATE PARTNER-  
 10   SHIPS.—

11           “(1) IN GENERAL.—In the case of an advanced  
 12       nuclear power facility which is owned by a public-  
 13       private partnership or co-owned by a qualified public  
 14       entity and a non-public entity, any qualified public  
 15       entity which is a member of such partnership or a  
 16       co-owner of such facility may transfer such entity’s  
 17       credit under subsection (a) to any non-public entity  
 18       which is a member of such partnership or which is  
 19       a co-owner of such facility, except that the aggregate  
 20       allocations of such credit claimed by such non-public  
 21       entity shall be subject to the limitations under sub-  
 22       sections (b) and (c) and section 38.

23           “(2) QUALIFIED PUBLIC ENTITY.—For pur-  
 24       poses of this subsection, the term ‘qualified public  
 25       entity’ means—

1           “(A) a Federal, State, or local government  
2           entity, or any political subdivision or agency or  
3           instrumentality thereof,

4           “(B) a mutual or cooperative electric com-  
5           pany described in section 501(c)(12) or section  
6           1381(a)(2), or

7           “(C) a not-for-profit electric utility which  
8           has or had received a loan or loan guarantee  
9           under the Rural Electrification Act of 1936.

10          “(3) VERIFICATION OF TRANSFER OF ALLOCA-  
11          TION.—A qualified public entity that makes a trans-  
12          fer under paragraph (1), and a nonpublic entity that  
13          receives an allocation under such a transfer, shall  
14          provide verification of such transfer in such manner  
15          and at such time as the Secretary shall prescribe.”.

16          (2) COORDINATION WITH GENERAL BUSINESS  
17          CREDIT.—Subsection (c) of section 38 of such Code  
18          (relating to limitation based on amount of tax) is  
19          amended by adding at the end the following new  
20          paragraph:

21          “(6) SPECIAL RULE FOR CREDIT FOR PRODUC-  
22          TION FROM ADVANCED NUCLEAR POWER FACILI-  
23          TIES.—

24                 “(A) IN GENERAL.—In the case of the  
25                 credit for production from advanced nuclear

power facilities determined under section 45J(a), paragraph (1) shall not apply with respect to any qualified public entity (as defined in section 45J(e)(2)) which transfers the entity's allocation of such credit to a non-public partner or a co-owner of such facility as provided in section 45J(e)(1).

“(B) VERIFICATION OF TRANSFER.—Subparagraph (A) shall not apply to any qualified public entity unless such entity provides verification of a transfer of credit allocation as required under section 45J(e)(3).”.

(3) SPECIAL RULE FOR PROCEEDS OF TRANSFERS FOR MUTUAL OR COOPERATIVE ELECTRIC COMPANIES.—Section 501(c)(12) of such Code is amended by adding at the end the following new subparagraph:

“(I) In the case of a mutual or cooperative electric company described in this paragraph or an organization described in section 1381(a)(2), income received or accrued from a transfer described in section 45J(e)(1) shall be treated as an amount collected from members for the sole purpose of meeting losses and expenses.”.

(c) EFFECTIVE DATE.—

1           (1) IN GENERAL.—The amendment made by  
 2           subsection (a) shall apply to electricity produced in  
 3           taxable years beginning after the date of the enact-  
 4           ment of this Act.

5           (2) ALLOCATION OF CREDIT.—The amend-  
 6           ments made by subsection (b) shall apply to taxable  
 7           years beginning after the date of the enactment of  
 8           this Act.

9   **SEC. 245. NUCLEAR JOB CREATION TAX CREDIT.**

10          (a) IN GENERAL.—Subpart F of part IV subchapter  
 11          A of chapter 1 of the Internal Revenue Code of 1986 is  
 12          amended by inserting after section 51 the following new  
 13          section:

14   **“SEC. 51A. NUCLEAR JOB CREATION CREDIT.**

15          “(a) IN GENERAL.—In the case of any employer  
 16          which operates a commercial nuclear power plant—

17                 “(1) a qualified worker shall be treated as a  
 18                 member of a targeted group,

19                 “(2) the amount of the credit determined under  
 20                 section 51 with respect to such qualified worker  
 21                 shall include—

22                         “(A) 30 percent of the qualified second-  
 23                         year wages of qualified workers,

24                         “(B) 20 percent of the qualified third-year  
 25                         wages of qualified workers, and

1           “(C) 25 percent of the qualified non-wage  
2           training expenses with respect to such qualified  
3           workers,

4           “(3) section 51(b)(3) shall not apply with re-  
5           spect to any qualified worker,

6           “(4) section 51(c)(4) shall be applied to quali-  
7           fied workers by substituting ‘December 31, 2030’  
8           for ‘August 31, 2011’, and

9           “(5) section 51(i)(2) shall not apply with re-  
10          spect to any qualified worker.

11         “(b) QUALIFIED WORKER.—

12                 “(1) IN GENERAL.—For purposes of this sec-  
13                 tion, the term ‘qualified worker’ means an individual  
14                 who meets the requirements of paragraphs (2), (3),  
15                 and (4).

16                 “(2) TRAINING REQUIREMENT.—An individual  
17                 meets the requirements of this paragraph if such in-  
18                 dividual is—

19                         “(A) a participant in an apprenticeship  
20                         program which is registered with the Depart-  
21                         ment of Labor (or, in the case of an apprentice-  
22                         ship program in a State not covered by the De-  
23                         partment of Labor Apprenticeship Program,  
24                         registered with a State apprenticeship agency)  
25                         and which is for the training of—

1 “(i) boilermakers,

2 “(ii) masons,

3 “(iii) ironworkers,

4 “(iv) sheet metal workers,

5 “(v) electricians,

6 “(vi) plumbers or pipelayers,

7 “(vii) machinists,

8 “(viii) steelworkers,

9 “(ix) millwrights, or

10 “(x) welders,

11 “(B) a participant in a Nuclear Regulatory  
12 Commission accepted accredited program of the  
13 Institute of Nuclear Power Operations’ Na-  
14 tional Academy for Nuclear Training for—

15 “(i) power plant operators,

16 “(ii) radiation protection technicians,

17 “(iii) chemistry technicians,

18 “(iv) electrical maintenance techni-  
19 cians, or

20 “(v) mechanical maintenance techni-  
21 cians, or

22 “(C) receiving training to meet the require-  
23 ments to be a—

24 “(i) nondestructive examination tech-  
25 nician,

1 “(ii) radiation protection technician,

2 “(iii) nuclear quality assurance techni-

3 cian, or

4 “(iv) nuclear quality control techni-

5 cian.

6 “(3) TRAINING FACILITY REQUIREMENT.—An  
 7 individual meets the requirements of this paragraph  
 8 if such individual receives training described in sub-  
 9 paragraph (A) at a Nuclear Regulatory Commission  
 10 compliant facility.

11 “(4) ONLY NEW TRAINEES INCLUDED.—An in-  
 12 dividual meets the requirements of this paragraph if  
 13 the individual first began receiving the training de-  
 14 scribed in subparagraph (A) on or after January 1,  
 15 2010.

16 “(c) QUALIFIED SECOND-YEAR WAGES; QUALIFIED  
 17 THIRD-YEAR WAGES; QUALIFIED NON-WAGE TRAINING  
 18 EXPENSES.—For purposes of this section—

19 “(1) QUALIFIED SECOND-YEAR WAGES.—The  
 20 term ‘qualified second year wages’ means, with re-  
 21 spect to any qualified worker, wages paid or in-  
 22 curred during the 1-year period beginning on the  
 23 first year anniversary of the day on which the indi-  
 24 vidual began work for the employer as a qualified  
 25 worker.



1           “(2) QUALIFIED THIRD-YEAR WAGES.—The  
 2           term ‘qualified third year wages’ means, with respect  
 3           to any qualified worker, wages paid or incurred dur-  
 4           ing the 1-year period beginning on the second year  
 5           anniversary of the day on which the individual began  
 6           work for the employer as a qualified worker.

7           “(3) QUALIFIED NON-WAGE TRAINING EX-  
 8           PENSES.—

9           “(A) IN GENERAL.—The term ‘qualified  
 10          non-wage training expenses’ means—

11                   “(i) instructor expenses attributable  
 12                   to training qualified workers,

13                   “(ii) travel costs attributable to train-  
 14                   ing qualified workers,

15                   “(iii) tuition costs attributable to  
 16                   training qualified workers, and

17                   “(iv) equipment and materials attrib-  
 18                   utable to training qualified workers (other  
 19                   than equipment and materials included in  
 20                   products produced for sale or use).

21           “(B) SHARED EXPENSES AND COSTS.—In  
 22           the case of any expenses or costs attributable to  
 23           both qualified workers and others, such ex-  
 24           penses and costs shall be apportioned on a rea-  
 25           sonable basis.

1       “(d) OTHER DEFINITIONS.—For purposes of this  
2 subsection—

3               “(1) COMMERCIAL NUCLEAR POWER PLANT.—

4       The term ‘commercial nuclear power plant’ means a  
5 facility that uses nuclear energy to produce elec-  
6 tricity for distribution and commercial sale.

7               “(2) NUCLEAR REGULATORY COMMISSION COM-  
8 PLIANT FACILITY.—The term ‘Nuclear Regulatory  
9 Commission compliant facility’ means a facility—

10              “(A) that has a quality assurance program  
11 compliant with appendix B to part 50 of title  
12 10, Code of Federal Regulations,

13              “(B) licensed by the Nuclear Regulatory  
14 Commission under part 40, 50, 52, 70 or 76 of  
15 title 10, Code of Federal Regulations, or

16              “(C) that holds a nuclear certificate issued  
17 by the American Society of Mechanical Engi-  
18 neers.

19               “(3) TRAINING.—The term ‘training’ includes  
20 classroom training, on-the-job training, self-study,  
21 preparation for licensing or proficiency examinations  
22 and work required to provide the necessary experi-  
23 ence to obtain a license, obtain a certification, or ob-  
24 tain an accreditation to serve in that occupation at  
25 a Nuclear Regulatory Commission compliant facility.

1           “(4) NONDESTRUCTIVE EXAMINATION TECHNI-  
 2           CIAN.—The term ‘nondestructive examination tech-  
 3           nician’ means an individual qualified to perform  
 4           nondestructive examination under the standards of  
 5           the American Society for Nondestructive Testing.

6           “(5) RADIATION PROTECTION TECHNICIAN.—  
 7           The term ‘radiation protection technician’ means an  
 8           individual qualified under the American National  
 9           Standards Institute standard ANSI 3.1.

10          “(6) NUCLEAR QUALITY ASSURANCE TECHNI-  
 11          CIAN.—The term ‘nuclear quality assurance techni-  
 12          cian’ means an individual qualified for such position  
 13          under the American National Standards Institute  
 14          standard ANSI 3.1.

15          “(7) NUCLEAR QUALITY CONTROL TECHNI-  
 16          CIAN.—The term ‘nuclear quality control technician’  
 17          means an individual qualified for such position  
 18          under the American National Standards Institute  
 19          standard ANSI 3.1.

20          “(8) ANSI 3.1.—The term ‘ANSI 3.1’ means  
 21          the American National Standards Institute standard  
 22          defining the qualifications for those positions set  
 23          forth in paragraph (2)(C).”.

24          (b) CLERICAL AMENDMENT.—The table of sections  
 25          for subpart F of part IV subchapter A of chapter 1 of

1 the Internal Revenue Code of 1986 is amended by insert-  
 2 ing after the item relating to section 51 the following new  
 3 item:

“Sec. 51A. Nuclear job creation credit.”.

4 (c) EFFECTIVE DATE.—The amendments made by  
 5 this section shall apply to taxable years beginning after  
 6 the date of the enactment of this Act.

## 7 **Subtitle E—United States Used** 8 **Nuclear Fuel**

### 9 **SEC. 251. UNITED STATES USED NUCLEAR FUEL.**

10 The Atomic Energy Act of 1954 (42 U.S.C. 2011 et  
 11 seq.) is amended by adding at the end the following:

## 12 **“TITLE III—UNITED STATES** 13 **USED FUEL MANAGEMENT PLAN**

### 14 **“SEC. 3001. PURPOSES.**

15 “The purposes of this title are—

16 “(1) to manage the commercial used nuclear  
 17 fuel enterprise, waste forms, or any other generated  
 18 material that is stored temporally above or below  
 19 ground, or stored permanently in an underground  
 20 geological repository;

21 “(2) to continue responsibility for the activities,  
 22 obligations, and resources of the Federal Govern-  
 23 ment with respect to used nuclear fuel management,  
 24 including the duties and powers of—

1           “(A) the Secretary, with respect to the Nu-  
2 clear Waste Fund;

3           “(B) the Office of Civilian Radioactive  
4 Waste Management, established under section  
5 304(a) of the Nuclear Waste Policy Act of 1982  
6 (42 U.S.C. 10224(a)); and

7           “(C) the Energy Policy Act of 1992 (42  
8 U.S.C. 13201 et seq.), with respect to advanced  
9 reactors;

10          “(3) to ensure in the United States—

11           “(A) the common defense and security;

12           “(B) the enforcement of laws and policies  
13 concerning nonproliferation of atomic weapons  
14 and other nonpeaceful uses of atomic energy;  
15 and

16           “(C) the world leadership in solutions with  
17 used nuclear fuel treatment and reuse;

18          “(4) to advance the technologies and facilities  
19 of the United States to recycle used nuclear fuel into  
20 useable reactor fuel in a manner that would—

21           “(A) reduce high-level radioactive waste  
22 volume in the United States;

23           “(B) reduce the long-term radiotoxicity of  
24 high-level radioactive waste in the United  
25 States;

1                   “(C) increase sustainability of the nuclear  
2                   fuel cycle; and

3                   “(D) provide for the safe, secure disposal  
4                   of nuclear materials;

5                   “(5) to sustain and expand the role of nuclear  
6                   energy in meeting the requirements of the United  
7                   States for clean, safe, reliable, and affordable en-  
8                   ergy; and

9                   “(6) to carry out other activities to advance the  
10                  purposes described in this section.

11 **“SEC. 3002. DEFINITIONS.**

12                  “In this title:

13                   “(1) AGREEMENT.—The term ‘agreement’  
14                   means a used fuel storage facility agreement entered  
15                   into under section 3012(a).

16                   “(2) COUNCIL.—The term ‘Council’ means the  
17                   Generation IV Nuclear Recycling Council established  
18                   under section 3043(c)(3)(A).

19                   “(3) COMMISSION.—The term ‘Commission’  
20                   means the Nuclear Regulatory Commission.

21                   “(4) DECOMMISSIONING; DECONTAMINATION.—  
22                   The terms ‘decommissioning’ and ‘decontamination’,  
23                   with respect to an activity, include any activity other  
24                   than a response action or corrective action carried  
25                   out to decontaminate or decommission a facility for

1 spent nuclear fuel management that has residual ra-  
2 dioactive or mixed radioactive and hazardous chem-  
3 ical contamination (including depleted tailings).

4 “(5) DEMONSTRATION.—The term ‘Demonstra-  
5 tion’ means the Next Generation Reactor System es-  
6 tablished under section 3041(a).

7 “(6) DEPARTMENT.—The term ‘Department’  
8 means the Department of Energy.

9 “(7) FIRST USED FUEL RECEIPT.—The term  
10 ‘first used fuel receipt’ means a receipt of used fuel  
11 by a used fuel storage facility at a site that is lo-  
12 cated within the jurisdiction of a unit of local gov-  
13 ernment that is a party to an agreement.

14 “(8) FISSION PRODUCT.—The term ‘fission  
15 product’ means each atomic element that is pro-  
16 duced when atoms fission into fragments (which is  
17 considered waste for geological disposal).

18 “(9) HEAT GENERATION.—The term ‘heat gen-  
19 eration’ means the quantity of heat that is generated  
20 from material containing radioactive material.

21 “(10) HIGH-LEVEL RADIOACTIVE WASTE.—

22 “(A) IN GENERAL.—The term ‘high-level  
23 radioactive waste’ means—

24 “(i) highly radioactive material result-  
25 ing from the recycling of spent nuclear fuel

1 and any other material from that waste  
2 that contains fission products or  
3 transuranics (above 10,000 nCi/l) in suffi-  
4 cient concentrations;

5 “(ii) other highly radioactive material  
6 that the Chairman of the Commission, con-  
7 sistent with each applicable Federal law  
8 (including regulations), determines by rule  
9 to require permanent isolation; and

10 “(iii) uranium fuel that has been used  
11 in a water-cooled nuclear power reactor  
12 and is—

13 “(I) spent or used (including fuel  
14 that is thermally hot, as well as highly  
15 radioactive, and requires remote han-  
16 dling and shielding); or

17 “(II) no longer efficient in gener-  
18 ating power to the reactor to produce  
19 electricity.

20 “(B) EXCLUSION.—The term ‘high-level  
21 radioactive waste’ does not include waste inci-  
22 dental to recycling.

23 “(11) INSTITUTION OF HIGHER EDUCATION.—  
24 The term ‘institution of higher education’ has the



1 meaning given the term in section 101(a) of the  
2 Higher Education Act of 1965 (20 U.S.C. 1001(a)).

3 “(12) NATIONAL LABORATORY.—The term ‘Na-  
4 tional Laboratory’ has the meaning given the term  
5 in section 2 of the Energy Policy Act of 2005 (42  
6 U.S.C. 15801).

7 “(13) WASTE INCIDENTAL TO RECYCLING.—

8 “(A) IN GENERAL.—The term ‘waste inci-  
9 dental to recycling’ means waste material re-  
10 sulting from the recycling of spent nuclear fuel,  
11 including liquid waste produced directly in recy-  
12 cling, and any solid material derived from the  
13 liquid waste, that contains fission products to  
14 be classified as high-level radioactive waste.

15 “(B) DETERMINATION OF HIGH-LEVEL RA-  
16 DIOACTIVE WASTE.—For purposes of this defi-  
17 nition, liquid waste described in subparagraph  
18 (A) shall not be considered to be highly radio-  
19 active or of sufficient concentration if the liquid  
20 waste—

21 “(i) has been processed to remove key  
22 radionuclides to the maximum extent that  
23 is technically and economically practicable;

1 “(ii)(I) meets Class C concentrations  
2 under part 61 of title 10, Code of Federal  
3 Regulations (or successor regulations); or

4 “(II) will meet the performance objec-  
5 tives described in subpart C of part 61 of  
6 title 10, Code of Federal Regulations (or  
7 successor regulations), if disposed of in a  
8 near-surface disposal site based on a site  
9 specific performance assessment; and

10 “(iii) is resistant to the release of  
11 radionuclides.

12 “(14) NUCLEAR WASTE FUND.—The term ‘Nu-  
13 clear Waste Fund’ means the Nuclear Waste Fund  
14 established under section 302 of the Nuclear Waste  
15 Policy Act of 1982 (42 U.S.C. 10222).

16 “(15) REGION.—The term ‘region’ means a  
17 geographical area of the United States—

18 “(A) that is defined by the borders of 1 or  
19 more States; and

20 “(B) the adjustment of which is subject to  
21 the agreement of each State that is included in  
22 the geographical area.

23 “(16) SECRETARY.—The term ‘Secretary’  
24 means the Secretary of Energy.

25 “(17) TRANSURANIC.—

1           “(A) IN GENERAL.—The term ‘trans-  
 2           uranic’, as used with respect to an element,  
 3           means that the element has an atomic number  
 4           that is greater than that of uranium.

5           “(B) INCLUSIONS.—The term ‘trans-  
 6           uranic’, as used with respect to an element, in-  
 7           cludes elements such as—

8                   “(i) neptunium;

9                   “(ii) plutonium;

10                  “(iii) americium; and

11                  “(iv) curium.

12           “(18) UNIT OF LOCAL GOVERNMENT.—The  
 13           term ‘unit of local government’ means any borough,  
 14           city, county, parish, town, township, village, or other  
 15           general purpose political subdivision of a State, or  
 16           association of 2 or more political subdivisions of a  
 17           State.

18           “(19) USED FUEL.—The term ‘used fuel’  
 19           means uranium dioxide fuel that has been—

20                   “(A) placed in a nuclear power reactor for  
 21                   power operation; and

22                   “(B) subsequent to the event described in  
 23                   subparagraph (A), removed from the nuclear  
 24                   power reactor described in that subparagraph.

1 “(20) WEAPONS MATERIAL.—The term ‘weap-  
 2 ons material’ means highly enriched uranium and  
 3 plutonium that is derived from—

4 “(A) a nuclear weapon; or

5 “(B) material derived from the process of  
 6 manufacturing a nuclear weapon.

## 7 **“Subtitle A—Regional Storage Sites**

### 8 **“SEC. 3011. ESTABLISHMENT OF REGIONAL STORAGE** 9 **SITES.**

10 “To establish 1 or more regional storage sites, the  
 11 Secretary may carry out the activities and obligations, and  
 12 use the resources, of the Federal Government with respect  
 13 to used nuclear fuel management, including the duties and  
 14 powers of—

15 “(1) the Secretary relating to nuclear waste;

16 “(2) the Office of Civilian Radioactive Waste  
 17 Management, established under section 304(a) of  
 18 the Nuclear Waste Policy Act of 1982 (42 U.S.C.  
 19 10224(a)); and

20 “(3) the Secretary to purchase, lease, or other-  
 21 wise access facilities and property useful for used  
 22 nuclear fuel management purposes, including prop-  
 23 erty and facilities of the Department necessary for  
 24 storage, processing, or fuel fabrication involving ma-  
 25 terials containing plutonium.

1 **“SEC. 3012. INCENTIVES FOR SITING OF USED FUEL STOR-**  
 2 **AGE FACILITIES.**

3 “(a) AUTHORIZATION.—The Secretary shall offer to  
 4 enter into used fuel storage facility agreements in accord-  
 5 ance with this section.

6 “(b) NOTICE FROM UNITS OF LOCAL GOVERNMENT  
 7 TO SECRETARY.—Not later than 300 days after the date  
 8 of enactment of this section, representatives of a unit of  
 9 local government, or an entity that holds title to private  
 10 land located within the jurisdiction of the unit of local gov-  
 11 ernment, may submit to the Secretary written notice that  
 12 the unit of local government is willing to have a used fuel  
 13 interim storage facility located at an identified site within  
 14 the jurisdiction of the units of local government.

15 “(c) PRELIMINARY COMPENSATION.—

16 “(1) IN GENERAL.—The Secretary shall—

17 “(A) make payments of \$5,000,000 each  
 18 year to not more than 10 units of local govern-  
 19 ment that have submitted notices under sub-  
 20 section (b); and

21 “(B) make payments of \$10,000,000 each  
 22 year to a unit of local government described in  
 23 subparagraph (A) if the site located within the  
 24 jurisdiction of the unit of local government con-  
 25 tains used nuclear fuel as of the date on which

1           the notice of the unit of local government is  
2           submitted.

3           “(2) MULTIPLE NOTICES.—If more than 10 no-  
4           tices are received under subsection (b), the Secretary  
5           shall make payments to the first 10 units of local  
6           government, based on the order in which the notices  
7           are received.

8           “(3) TIMING.—The payments shall be made an-  
9           nually for a 3-year period, with the first payment to  
10          be made on the anniversary date of the filing of the  
11          notice under subsection (b), and subsequent pay-  
12          ments to be made annually on the date on which the  
13          used fuel is placed on the site.

14          “(d) AGREEMENT.—

15          “(1) IN GENERAL.—On the docketing of an ap-  
16          plication for a license for an interim used fuel stor-  
17          age facility at a site within the jurisdiction of a unit  
18          of local government by the Chairman of the Com-  
19          mission, the Secretary shall offer to enter into an in-  
20          terim used fuel storage facility economic impact  
21          agreement with the unit of local government to in-  
22          clude prospective used fuel treatment and recycling  
23          facilities.

24          “(2) TERMS AND CONDITIONS.—An agreement  
25          between the Secretary and a unit of local govern-

1       ment under this subsection shall contain such terms  
 2       and conditions (including such financial and institu-  
 3       tional arrangements) as the Secretary and the unit  
 4       of local government determine to be reasonable and  
 5       appropriate.

6               “(3) AMENDMENT.—An agreement may be—

7                       “(A) amended only with the mutual con-  
 8                       sent of the parties to the agreement; and

9                       “(B) terminated only in accordance with  
 10                      paragraph (4).

11               “(4) TERMINATION.—The Secretary shall ter-  
 12       minate an agreement if the Secretary determines  
 13       that any major element of the used fuel treatment  
 14       or interim storage facility required under the agree-  
 15       ment will not be completed by the date that is 5  
 16       years after the date on which the agreement was en-  
 17       tered into.

18               “(5) NUMBER OF AGREEMENTS.—Not more  
 19       than 10 agreements may be in effect at any time.

20               “(6) PAYMENT SCHEDULE.—

21                       “(A) IN GENERAL.—If the Secretary en-  
 22       ters into an agreement under this subsection,  
 23       the Secretary shall make to the unit of local  
 24       government and the State in which the unit of  
 25       local government is located—

1 “(i) payments of—

2 “(I) on the date of entering into  
3 the agreement under this subsection,  
4 \$10,000,000; and

5 “(II) during the period beginning  
6 on the date of entering into an agree-  
7 ment and ending on the date of first  
8 used fuel receipt or denial of the li-  
9 cense application for an interim used  
10 fuel storage facility by the Chairman  
11 of the Commission, whichever is later,  
12 \$20,000,000 for each year; and

13 “(ii) a payment of \$20,000,000 on  
14 closure of the facility.

15 “(B) TIMING OF ANNUAL PAYMENTS.—In  
16 the case of annual payments described in sub-  
17 paragraph (A)(i)(II), the Secretary shall make  
18 annual payments on the anniversary of the date  
19 of the docketing of the license application by  
20 the Chairman of the Commission.

21 “(C) TERMINATION OF AUTHORITY.—Sub-  
22 ject to subparagraph (A)(ii), the authority to  
23 make payments under this paragraph termi-  
24 nates on the date of closure of the facility.



1   **“SEC. 3013. ACCEPTANCE, STORAGE, AND SETTLEMENT OF**  
2                   **CLAIMS.**

3           “(a) IN GENERAL.—The Secretary shall offer to  
4 enter into a long-term contract for the interim storage of  
5 used fuel from civilian nuclear power plants with a private  
6 entity that owns or operates 1 or more facilities licensed  
7 by the Commission that is located within the jurisdiction  
8 of a unit of local government to which payments are made  
9 pursuant to section 3012(d).

10          “(b) SETTLEMENT AND ACCEPTANCE OF USED  
11 FUEL.—

12           “(1) IN GENERAL.—At the request of a party  
13 to a contract under section 302(a) of the Nuclear  
14 Waste Policy Act of 1982 (42 U.S.C. 10222(a)), the  
15 Secretary may enter into an agreement for the set-  
16 tlement of all claims against the Secretary under a  
17 contract for failure to dispose of high-level radio-  
18 active waste or used nuclear fuel not later than Jan-  
19 uary 31, 1998.

20           “(2) TERMS AND CONDITIONS.—A settlement  
21 agreement described in paragraph (1)—

22           “(A) shall contain such terms and condi-  
23 tions (including such financial and institutional  
24 arrangements) as the Secretary and the party  
25 to the contract determine to be reasonable and  
26 appropriate; and

1                   “(B) may include the acceptance of used  
2                   fuel from the party to the contract for storage  
3                   at a facility with respect to which the Secretary  
4                   has a long-term contract under paragraph (1).

5           “(c) EFFECT OF ACCEPTANCE.—Acceptance of used  
6 fuel by the Secretary under subsection (b) shall constitute  
7 transfer of title to the Secretary.

8           “(d) PRIORITY FOR ACCEPTANCE FOR CLOSED FA-  
9 CILITIES.—If a request for fuel acceptance is made under  
10 subsection (b) by a facility that has produced used nuclear  
11 fuel and that is shut down permanently and the facility  
12 has been decommissioned, the Secretary shall provide pri-  
13 ority for the acceptance of the fuel produced by the facil-  
14 ity.

15 **“SEC. 3014. WASTE CONFIDENCE.**

16           “For purposes of a determination by the Chairman  
17 of the Commission on whether to grant, amend, or renew  
18 any license under the Atomic Energy Act of 1954 (42  
19 U.S.C. 2011 et seq.), the obligation of the Secretary to  
20 develop a repository in accordance with the Nuclear Waste  
21 Policy Act of 1982 (42 U.S.C. 10101 et seq.) shall provide  
22 sufficient and independent grounds for any further find-  
23 ings by the Commission of reasonable assurances that  
24 used nuclear fuel and high-level radioactive waste would  
25 be disposed of safely and in a timely manner.

1 **“Subtitle B—Integrated Plan for**  
 2 **Used Fuel Treatment, Recycling,**  
 3 **and Next-generation Reactor**  
 4 **Development**

5 **“SEC. 3021. STATEMENT OF POLICY.**

6 “It is the policy of the United States to recycle used  
 7 nuclear fuel—

8 “(1) to advance energy independence;

9 “(2) to maximize the energy potential of nu-  
 10 clear fuel in a proliferation-resistant manner; and

11 “(3) to reduce the volume and toxicity of high-  
 12 level radioactive waste dedicated to a permanent  
 13 Federal repository.

14 **“SEC. 3022. ESTABLISHMENT OF PARTNERSHIPS.**

15 “(a) **AUTHORITY OF SECRETARY.**—The Secretary  
 16 shall offer to enter into partnerships with members of pri-  
 17 vate industry.

18 “(b) **REQUIREMENTS.**—In carrying out subsection  
 19 (a), the Secretary shall—

20 “(1) establish demonstration projects; and

21 “(2) coordinate research and development to  
 22 advance the policy described in section 3021.

1   **“Subtitle C—Used Fuel Treatment**  
2                   **and Recycling**

3   **“SEC. 3031. USED FUEL TREATMENT AND RECYCLING CEN-**  
4                   **TERS.**

5           “(a) IN GENERAL.—The Secretary shall designate  
6 commercial used fuel treatment and recycling centers for  
7 licensing and operation at 1 or more sites described in sec-  
8 tion 3012(d)(1).

9           “(b) PURPOSES.—The Secretary shall carry out sub-  
10 section (a)—

11               “(1) to reduce high-level radioactive waste vol-  
12 ume in the United States;

13               “(2) to reduce the long-term radiotoxicity of  
14 high-level radioactive waste in the United States;

15               “(3) to demonstrate and develop technologies  
16 that would increase the sustainability of the nuclear  
17 fuel cycle;

18               “(4) to research, develop, and demonstrate ad-  
19 vanced data monitoring and measurement tech-  
20 niques for materials accountability; and

21               “(5) to demonstrate scalable proliferation-re-  
22 sistant systems for the treatment and recycling of  
23 used fuel.

24           “(c) PUBLIC-PRIVATE COOPERATIVE AGREEMENTS;  
25 CONTRACTS.—

1           “(1) COOPERATIVE AGREEMENTS.—In carrying  
2           out this section, the Secretary may offer to enter  
3           into 1 or more public-private cooperative agree-  
4           ments.

5           “(2) CONTRACTS.—The Secretary shall use  
6           amounts transferred from the Nuclear Waste Fund,  
7           and such other amounts as are appropriated to carry  
8           out this section, to offer to enter into and carry out  
9           1 or more long-term contracts with private sector  
10          entities for the treatment and recycling of used nu-  
11          clear fuel.

12          “(3) COMPETITIVE SELECTION.—Cooperative  
13          agreements and contracts shall be awarded on the  
14          basis of a competitive bidding process that is carried  
15          out—

16               “(A) to maximize the competitive efficiency  
17               and use of private capital for the projects fund-  
18               ed;

19               “(B) to best serve the mission of the De-  
20               partment to reduce high-level radioactive waste  
21               volume and radiotoxicity;

22               “(C) to maximize the viability of recycled  
23               materials for use in commercially available reac-  
24               tors; and

1           “(D) to ensure sufficient protection  
2           against the proliferation of nuclear materials  
3           that could be used to manufacture nuclear  
4           weapons.

5           “(d) REQUIREMENTS.—In carrying out this section,  
6 the Secretary shall—

7           “(1) consider the various technologies available  
8           for the treatment and recycling of used fuel that do  
9           not separate pure plutonium;

10          “(2) ensure the use of scalable, proliferation-re-  
11          sistant systems;

12          “(3) ensure the completion of detailed engineer-  
13          ing and cost estimates for the project;

14          “(4) prepare a plan for the colocated interim  
15          storage of high-level radioactive waste;

16          “(5) manage the transfer of materials for the  
17          purpose of treatment, recycling, and new fuel fab-  
18          rication;

19          “(6) conduct an appropriate safety and environ-  
20          mental analysis; and

21          “(7) in accordance with applicable licensing re-  
22          quirements, ensure the disposal of low-level radio-  
23          active waste and transuranic waste.

1 **“SEC. 3032. PRICE-ANDERSON COVERAGE.**

2 “Section 170 shall apply to any used nuclear fuel  
3 management facility—

4 “(1) owned or operated by, or under contract  
5 with, the Department;

6 “(2) licensed under section 53, 63, or 103; and

7 “(3) constructed after the date of enactment of  
8 this title.

9 **“Subtitle D—Demonstration of**  
10 **Next Generation Reactor System**

11 **“SEC. 3041. NEXT GENERATION REACTOR SYSTEM.**

12 “(a) ESTABLISHMENT.—As soon as practicable after  
13 the date of enactment of this title, the Secretary shall es-  
14 tablish a demonstration project to be known as the ‘Next  
15 Generation Reactor System’.

16 “(b) CONTENT.—The Demonstration shall consist of  
17 the development, design, construction, operation, and sup-  
18 porting research of a prototype reactor plant, building  
19 from the experience of the United States, that—

20 “(1) is based on research and development ac-  
21 tivities supported by applicable programs;

22 “(2) meets the intent of the Energy Policy Act  
23 of 1992 (42 U.S.C. 13201 et seq.); and

24 “(3) shall be used—

1                   “(A) to recover contaminated uranium  
 2                   from a complex under the jurisdiction of the  
 3                   Department;

4                   “(B) to demonstrate that—

5                   “(i) separated transuranics may fuel  
 6                   nuclear reactors; and

7                   “(ii) the resulting waste of the process  
 8                   described in clause (i) is not a significant  
 9                   long-term geological burden; and

10                  “(C) to facilitate the use of weapons mate-  
 11                  rial for initial reactor operation for fuel testing  
 12                  of transuranics fuel.

13 **“SEC. 3042. DEMONSTRATION MANAGEMENT.**

14                  “(a) DEPARTMENTAL MANAGEMENT.—

15                  “(1) IN GENERAL.—The Demonstration shall  
 16                  be managed by—

17                  “(A) the Assistant Secretary of the Office  
 18                  of Nuclear Energy; and

19                  “(B) the Director of the Office of Civilian  
 20                  Nuclear Waste.

21                  “(2) COMBINATION WITH ADVANCED FUEL  
 22                  CYCLE DEMONSTRATION PROGRAM.—The Secretary  
 23                  may combine the Demonstration with the advanced  
 24                  fuel recycling technology research, development, and  
 25                  demonstration program conducted under section 953



1 of the Energy Policy Act of 2005 (42 U.S.C.  
2 16273).

3 “(3) EXISTING DEPARTMENT DEMONSTRATION  
4 MANAGEMENT EXPERTISE.—To track the progress  
5 of the Demonstration, the Secretary may use the ca-  
6 pabilities for review of construction projects for ad-  
7 vanced scientific facilities within any office of the  
8 Department.

9 “(b) LABORATORY MANAGEMENT.—

10 “(1) LABORATORY SCOPE.—

11 “(A) IN GENERAL.—The Secretary shall  
12 provide to the National Laboratories specific  
13 scope on the manner by which to ensure the  
14 overall success of the Demonstration.

15 “(B) AUTHORITY OF NATIONAL LABORA-  
16 TORIES.—

17 “(i) IN GENERAL.—The National  
18 Laboratories may collaborate with—

19 “(I) institutions of higher edu-  
20 cation;

21 “(II) research institutes;

22 “(III) industrial researchers; and

23 “(IV) international researchers.

24 “(ii) TECHNICAL SUPPORT.—In car-  
25 rying out clause (i), the National Labora-

1           tories shall provide sufficient technical sup-  
 2           port for use by the Department in under-  
 3           standing any technical or regulatory issues  
 4           identified by the Chairman of the Commis-  
 5           sion.

6           “(2) INDUSTRIAL PARTNERSHIPS.—

7           “(A) IN GENERAL.—The Office of Nuclear  
 8           Energy shall, through a competitive process, se-  
 9           lect 1 or more qualified industrial leaders—

10           “(i) to carry out the Demonstration  
 11           execution, through other industrial associ-  
 12           ates for the development, design, and con-  
 13           struction activities; and

14           “(ii) to operate facilities under the  
 15           Demonstration to recycle used nuclear fuel  
 16           on behalf of the Department.

17           “(B) COST-SHARING.—Industrial associ-  
 18           ates described in subparagraph (A) shall not be  
 19           required to pay a non-Federal share during the  
 20           initial development of National Laboratory  
 21           technology at the engineering scale.

22           “(C) PREFERENCE.—Preference in deter-  
 23           mining the final structure of the consortium, or  
 24           any partnership under this subtitle, shall be  
 25           given to a structure that retains United States

1 technological leadership in the Demonstration  
2 (including designating as a lead industrial part-  
3 ner an entity incorporated in the United  
4 States).

5 “(3) PROTOTYPE PLANT SITING.—It is the in-  
6 tent of Congress that the Demonstration and associ-  
7 ated support should be sited at a National Labora-  
8 tory.

9 “(4) REACTOR TEST CAPABILITIES.—The Dem-  
10 onstration shall use, if appropriate, reactor test ca-  
11 pabilities at the National Laboratories (or inter-  
12 national laboratories) to validate the use of any pro-  
13 duced transuranics fuel.

14 “(5) OTHER LABORATORY CAPABILITIES.—The  
15 Demonstration may use, if appropriate, facilities at  
16 any National Laboratory.

17 **“SEC. 3043. DEMONSTRATION ORGANIZATION.**

18 “(a) MAJOR DEMONSTRATION ELEMENTS.—The  
19 Demonstration shall consist of the following major pro-  
20 gram elements:

21 “(1) A Generation IV System, as identified by  
22 the Generation IV International Forum.

23 “(2) Transuranics nuclear fuel development,  
24 characterization, and qualification.

1           “(3) Weapons materials disposition options in  
2           Generation IV Systems, as identified under para-  
3           graph (1).

4           “(b) DEMONSTRATION PHASES.—

5           “(1) IN GENERAL.—The Demonstration shall  
6           be conducted in each phase described in paragraphs  
7           (2) and (3).

8           “(2) FIRST DEMONSTRATION PHASE.—A first  
9           Demonstration phase shall be conducted—

10           “(A) to validate appropriate technology  
11           components under subsection (a)(1);

12           “(B) to submit a license to the Chairman  
13           of the Commission under subsection (a)(1);

14           “(C) to perform appropriate validation re-  
15           search by the National Laboratories under sub-  
16           section (a); and

17           “(D) to carry out initial design activities  
18           for the fabrication of prototype nuclear fuel de-  
19           rived from weapons grade plutonium and stud-  
20           ies under subsection (a)(3).

21           “(3) SECOND DEMONSTRATION PHASE.—A sec-  
22           ond Demonstration phase shall be conducted—

23           “(A) to build a prototype nuclear reactor  
24           and plant, including development of design

1 methods and safety analytical methods and  
2 studies;

3 “(B) to continue appropriate activities  
4 under paragraphs (1) through (3) of subsection  
5 (a);

6 “(C) to develop, through a competitive  
7 process, a final design for the prototype nuclear  
8 reactor and plant based on a Generation IV  
9 System identified under subsection (a)(1);

10 “(D) to support license application activi-  
11 ties relating to the construction and operation  
12 of the prototype nuclear reactor; and

13 “(E) to construct and start up operations  
14 of the prototype nuclear reactor and fuel testing  
15 while demonstrating electricity production.

16 “(c) DEMONSTRATION REQUIREMENTS.—

17 “(1) IN GENERAL.—The Secretary shall ensure  
18 that the Demonstration is structured in a manner to  
19 maximize the technical interchange and transfer of  
20 technologies and ideas into the Demonstration from  
21 other sources of relevant expertise, including—

22 “(A) the nuclear power industry (including  
23 nuclear powerplant construction firms), particu-  
24 larly with respect to issues associated with

1 plant design, construction, and operational and  
 2 safety issues;

3 “(B) the nuclear fuel fabrication industry,  
 4 particularly with respect to issues relating to—

5 “(i) the separation of transuranics  
 6 from used nuclear fuel; and

7 “(ii) the integration of technologies  
 8 developed by the Demonstration into fuel  
 9 fabrication; and

10 “(C) international efforts in areas relating  
 11 to the Demonstration, particularly with respect  
 12 to transuranics fuel performance.

13 “(2) INTERNATIONAL COLLABORATION.—

14 “(A) IN GENERAL.—The Secretary shall  
 15 seek international cooperation, participation,  
 16 and financial contributions for the Demonstra-  
 17 tion.

18 “(B) ASSISTANCE FROM INTERNATIONAL  
 19 PARTNERS.—The Secretary may offer to enter  
 20 into contracts for assistance with specialists or  
 21 facilities from member countries of the Genera-  
 22 tion IV International Forum, the Russian Fed-  
 23 eration, or other international partners if the  
 24 specialists or facilities provide access to—

1 “(i) cost-effective and relevant skills;

2 or

3 “(ii) test capabilities.

4 “(C) PARTNER COUNTRIES.—The Dem-  
5 onstration may involve support of selected dem-  
6 onstration objectives in a partner country.

7 “(D) GENERATION IV INTERNATIONAL  
8 FORUM.—The Secretary shall ensure that inter-  
9 national activities of the Demonstration are co-  
10 ordinated with the Generation IV International  
11 Forum.

12 “(E) TERMS.—The Secretary shall ensure  
13 that the terms and conditions with respect to  
14 international cooperation provided under this  
15 paragraph do not delay the domestic portion of  
16 the Demonstration.

17 “(3) GENERATION IV NUCLEAR RECYCLING  
18 COUNCIL.—

19 “(A) IN GENERAL.—As soon as practicable  
20 after the date of enactment of this title, the  
21 Secretary shall establish a council to be known  
22 as the ‘Generation IV Nuclear Recycling Coun-  
23 cil’.

24 “(B) MEMBERSHIP.—The Secretary shall  
25 appoint individuals to serve as members of the

1 Council based on the expertise of the individ-  
2 uals—

3 “(i) as technologists, manufacturers,  
4 or plant operators; or

5 “(ii) in other appropriate fields de-  
6 scribed in paragraph (1).

7 “(C) RESPONSIBILITIES.—The Council  
8 shall—

9 “(i) serve in an advisory capacity to  
10 the Secretary regarding Generation IV  
11 System matters submitted by the Secretary  
12 to the Council;

13 “(ii) on an ongoing basis, review all—

14 “(I) program plans for the Dem-  
15 onstration; and

16 “(II) progress under the Dem-  
17 onstration; and

18 “(iii) to the maximum extent prac-  
19 ticable, ensure that important scientific,  
20 technical, safety, and program manage-  
21 ment issues receive attention—

22 “(I) in the Demonstration; and

23 “(II) by the Secretary.



1           “(D) FEDERAL ADVISORY COMMITTEE  
2 ACT.—The Council shall be subject to the Fed-  
3 eral Advisory Committee Act (5 U.S.C. App.).

4           “(E) INITIAL REVIEW.—Not later than  
5 180 days after the date of enactment of this  
6 title, the Council shall—

7               “(i) review existing program plans for  
8 the Demonstration;

9               “(ii) address any recommendations of  
10 the documents not incorporated in pro-  
11 gram plans for the Demonstration; and

12               “(iii) in accordance with the document  
13 entitled ‘Department of Energy O 413.3A  
14 Change 1 Demonstration Management for  
15 the Acquisition of Capital Assets’ and  
16 dated 2006, review existing program plans  
17 for the Demonstration to determine wheth-  
18 er the Demonstration management direc-  
19 tion for the Demonstration acquisition of  
20 capital assets are fully capable of meeting  
21 mission performance, safeguards and secu-  
22 rity, and environmental, safety, and health  
23 standards for accomplishing CD–1 through  
24 CD–4).

1           “(F) FIRST DEMONSTRATION PHASE RE-  
 2           VIEW.—On a determination by the Secretary  
 3           that the appropriate activities under the first  
 4           phase of the Demonstration under subsection  
 5           (b)(2) are nearly complete, the Secretary shall  
 6           submit to the Council a request—

7                   “(i) to conduct a comprehensive re-  
 8                   view of the Demonstration; and

9                   “(ii) on completion of the comprehen-  
 10                  sive review described in clause (i), to sub-  
 11                  mit to the Secretary a report that contains  
 12                  a description of the recommendation of the  
 13                  Council regarding whether the Demonstra-  
 14                  tion is ready to proceed to the second  
 15                  phase of the Demonstration under sub-  
 16                  section (b)(3).

17           “(G) REPORT.—Not later than 60 days  
 18           after the date on which the Secretary receives  
 19           a report from the Council under subparagraph  
 20           (F)(ii), the Secretary shall submit to the appro-  
 21           priate committees of Congress—

22                   “(i) a copy of the report; and

23                   “(ii) a document that contains a de-  
 24                  scription of any additional view of the Sec-

1                   retary that the Secretary may consider to  
2                   be appropriate.

## 3       **“Subtitle E—Nuclear Regulatory** 4       **Commission**

### 5   **“SEC. 3051. NUCLEAR REGULATORY COMMISSION.**

6       “In accordance with section 202 of the Energy Reor-  
7   ganization Act of 1974 (42 U.S.C. 5842), the Chairman  
8   of the Commission shall have licensing and regulatory au-  
9   thority for any reactor authorized under this title.

### 10   **“SEC. 3052. LICENSING STRATEGY.**

11       “Not later than 2 years after the date of enactment  
12   of this title, the Secretary, acting through the selected in-  
13   dustry leader, shall submit to the Chairman of the Com-  
14   mission a license application for a prototype nuclear reac-  
15   tor, including—

16               “(1) a design control document in which cur-  
17       rent licensing requirements relating to light-water  
18       reactors are used as a guide for the Demonstration;

19               “(2) a description of analytical tools that the  
20       Chairman of the Commission may use from the Na-  
21       tional Laboratories independently to verify designs  
22       and performance characteristics of components,  
23       equipment, systems, or structures associated with  
24       the prototype nuclear reactor;

1           “(3) a description of each research and develop-  
2           ment activity that may be required to answer ques-  
3           tions posed by the Chairman of the Commission to  
4           review a license application for the prototype nuclear  
5           reactor; and

6           “(4) an estimate of the budgetary requirements  
7           associated with the completion of the licensing activ-  
8           ity.

9   **“SEC. 3053. ONGOING INTERACTION.**

10          “In carrying out the Demonstration, the Secretary  
11          shall seek the active participation of the Chairman of the  
12          Commission—

13               “(1) to avoid design decisions that would—

14                       “(A) compromise adequate safety margins  
15                       in the design of a prototype nuclear reactor; or

16                       “(B) impair the accessibility of nuclear  
17                       safety-related components of the prototype nu-  
18                       clear reactor for inspection and maintenance;

19               “(2) to develop tools to facilitate the inspection  
20               and maintenance of the prototype nuclear reactor  
21               that are necessary for safety purposes; and

22               “(3) to develop risk-based criteria for any fu-  
23               ture commercial development of a similar reactor ar-  
24               chitecture.

1 **“SEC. 3054. DEMONSTRATION TIMELINES.**

2 “(a) TARGET DATE TO COMPLETE THE FIRST DEM-  
3 ONSTRATION PHASE.—Not later than September 30,  
4 2012, the Secretary shall—

5 “(1) designate commercial used fuel treatment  
6 and recycling centers for licensing and operation at  
7 1 or more sites identified in 1 or more agreements;

8 “(2) select the industrial and National Labora-  
9 tory Demonstration leaders to be used by the Dem-  
10 onstration for—

11 “(A) delivery of the licensing document;

12 “(B) the required detailed design; and

13 “(C) the required analysis; and

14 “(3) submit to the appropriate committees of  
15 Congress a report that contains a determination  
16 of—

17 “(A) whether any international collabo-  
18 rator has agreed to provide funding; and

19 “(B) if 1 or more international collabo-  
20 rators have agreed provide funding, the scope  
21 and obligations of commitment of the inter-  
22 national collaborators.

23 “(b) DESIGN COMPETITION FOR SECOND DEM-  
24 ONSTRATION PHASE.—

25 “(1) IN GENERAL.—The Secretary, acting  
26 through the industrial and National Laboratory

1 Demonstration leaders, shall provide for the detailed  
2 design and licensing activities for the final design of  
3 a prototype nuclear reactor.

4 “(2) SYSTEMS INTEGRATION.—The Secretary  
5 may structure Demonstration activities in the second  
6 Demonstration phase to use the lead industrial part-  
7 ner to integrate the contributions of any inter-  
8 national contributors described in subsection (a)(3)  
9 in a systems integration role for final design and  
10 construction of the Demonstration.

11 “(c) TARGET DATE TO COMPLETE DEMONSTRATION  
12 CONSTRUCTION.—Not later than September 30, 2019, the  
13 Secretary shall—

14 “(1) complete construction and begin operations  
15 of a prototype for transuranics fuel testing and asso-  
16 ciated energy production; or

17 “(2) submit to the appropriate committees of  
18 Congress a report that establishes an alternative  
19 date for completion.

20 **“SEC. 3055. AUTHORIZATION OF APPROPRIATIONS.**

21 “There are authorized to be appropriated to the Sec-  
22 retary for research and construction activities under this  
23 title—

24 “(1) \$750,000,000 for the period of fiscal years  
25 2012 through 2016; and

1 “(2) such sums as are necessary for each of fis-  
 2 cal years 2017 through 2020.”.

3 **TITLE III—ELECTRIC VEHICLE**  
 4 **INFRASTRUCTURE**

5 **SEC. 301. INCREASE IN CREDIT LIMITATION ON NUMBER**  
 6 **OF NEW QUALIFIED PLUG-IN ELECTRIC VEHI-**  
 7 **CLES.**

8 (a) IN GENERAL.—Paragraph (2) of section 30D(e)  
 9 of the Internal Revenue Code of 1986 is amended by strik-  
 10 ing “200,000” and inserting “300,000”.

11 (b) EFFECTIVE DATE.—The amendment made by  
 12 this section shall take effect on the date of the enactment  
 13 of this Act.

14 **SEC. 302. MODIFICATIONS TO CREDIT FOR ALTERNATIVE**  
 15 **FUEL VEHICLE REFUELING PROPERTY.**

16 (a) EXTENSION OF INCREASED CREDIT FOR ELEC-  
 17 TRICITY.—

18 (1) IN GENERAL.—Paragraph (6) of section  
 19 30C(e) of the Internal Revenue Code of 1986 is  
 20 amended—

21 (A) by striking “DURING 2009 AND 2010” in  
 22 the heading and inserting “DURING CERTAIN  
 23 TAXABLE YEARS”,

24 (B) by striking “and before January 1,  
 25 2011”,

1 (C) by inserting “, which is placed in serv-  
 2 ice before January 1, 2011 (before January 1,  
 3 2020, in the case of property which relates to  
 4 electricity)” after “hydrogen” in subparagraph  
 5 (A), and

6 (D) by inserting “, which is placed in serv-  
 7 ice before January 1, 2011” after “hydrogen”  
 8 in subparagraph (B).

9 (2) EXTENSION OF CREDIT.—Subsection (g) of  
 10 section 30C of such Code is amended—

11 (A) by striking “and” at the end of para-  
 12 graph (1),

13 (B) by redesignating paragraph (2) as  
 14 paragraph (3), and

15 (C) by inserting after paragraph (1) the  
 16 following new paragraph:

17 “(2) in the case of property relating to elec-  
 18 tricity, after December 31, 2019, and”.

19 (b) QUALIFIED PROPERTY INCLUDES STRUCTURAL  
 20 COMPONENTS OF A BUILDING USED FOR ELECTRICAL  
 21 RECHARGING.—Subsection (c) of section 179A of the In-  
 22 ternal Revenue Code of 1986 is amended by adding at the  
 23 end the following new flush sentence:



1 “In the case of property described in paragraph (3)(B),  
 2 the preceding sentence shall be applied without regard to  
 3 the phrase ‘and its structural components’.”.

4 (c) TRANSFERABILITY OF CREDIT.—Section 30C(e)  
 5 of the Internal Revenue Code of 1986, as amended by  
 6 paragraph (2), is amended by adding at the end the fol-  
 7 lowing new paragraph:

8 “(8) TRANSFERABILITY OF CREDIT.—

9 “(A) IN GENERAL.—A person who places  
 10 any qualified alternative fuel vehicle refueling  
 11 property in service may transfer the credit  
 12 under this section through an assignment to  
 13 any other person. Such transfer may be revoked  
 14 only with the consent of the Secretary.

15 “(B) CERTIFICATION.—A transferee of a  
 16 credit described in subparagraph (A) may not  
 17 claim such credit unless such claim is accom-  
 18 panied by a certification to the Secretary that  
 19 the transferee reduced the price the transferor  
 20 paid for the qualified alternative fuel vehicle re-  
 21 fueling property by the entire amount of such  
 22 credit.

23 “(C) REGULATIONS.—The Secretary shall  
 24 prescribe such regulations as necessary to en-  
 25 sure that the credit transferred under subpara-

1 graph (A) is claimed once and not reassigned  
 2 by such other person.”.

3 (d) EFFECTIVE DATE.—The amendments made by  
 4 this section shall apply to property placed in service after  
 5 the date of the enactment of this Act.

6 **SEC. 303. VEHICLE TECHNOLOGY AND RECHARGING INFRA-**  
 7 **STRUCTURE.**

8 Section 131 of the Energy Independence and Security  
 9 Act of 2007 (42 U.S.C. 17011) is amended by adding at  
 10 the end the following:

11 “(e) MARKET ASSESSMENT AND RECHARGING IN-  
 12 FRASTRUCTURE STUDY.—

13 “(1) DEFINITIONS.—In this subsection:

14 “(A) LOCAL GOVERNMENT.—

15 “(i) IN GENERAL.—The term ‘local  
 16 government’ has the meaning given the  
 17 term in section 3371 of title 5, United  
 18 States Code.

19 “(ii) INCLUSIONS.—The term ‘local  
 20 government’ includes entities described in  
 21 sections 7 and 8 of the Alaska Native  
 22 Claims Settlement Act (43 U.S.C. 1606,  
 23 1607).

24 “(B) RANGE EXTENSION INFRASTRUC-  
 25 TURE.—The term ‘range extension infrastruc-

1           ture’ includes equipment, products, or services  
2           for recharging plug-in electric vehicles that—

3                   “(i) are available to retail consumers  
4                   of electric drive vehicles on a nonexclusive  
5                   basis, including payment interoperability  
6                   with other systems; and

7                   “(ii) provide for extending driving  
8                   range through battery exchange or rapid  
9                   recharging.

10           “(C) STATE.—The term ‘State’ has the  
11           meaning given the term in section 3371 of title  
12           5, United States Code.

13           “(2) STUDY.—The Secretary, in consultation  
14           with the Administrator, and the Secretary of Trans-  
15           portation, shall carry out a program to analyze and  
16           assess—

17                   “(A) the number and distribution of re-  
18                   charging facilities, including range extension in-  
19                   frastructure, that will be required for drivers of  
20                   plug-in electric drive vehicles and neighborhood  
21                   electric vehicles to reliably recharge those elec-  
22                   tric drive vehicles to meet the average needs of  
23                   the drivers;

1           “(B) minimum technical standards for  
2           public recharging facilities necessary for wide-  
3           spread deployment;

4           “(C) the technical and infrastructure in-  
5           vestments that electric utilities and electricity  
6           providers will be required to make to support  
7           widespread deployment of recharging infra-  
8           structure, including an estimate of the invest-  
9           ments;

10          “(D) existing electric drive transportation  
11          technologies and the state of markets for the  
12          purchase of those technologies;

13          “(E) methods of removing market barriers  
14          for existing and emerging applications of elec-  
15          tric drive transportation technologies;

16          “(F) the potential value to the electric grid  
17          of using the energy stored in on-board storage  
18          systems to improve the efficiency and reliability  
19          of the grid generation system; and

20          “(G) the implications of the introduction of  
21          plug-in electric drive vehicles and other types of  
22          electric transportation on the production of  
23          electricity from renewable resources.

1           “(3) COMPONENTS.—In conducting the study,  
2           the Secretary shall analyze and make recommenda-  
3           tions on—

4                   “(A) the variety and density of recharging  
5                   infrastructure options necessary to power plug-  
6                   in electric drive vehicles under diverse scenarios,  
7                   including—

8                           “(i) the ratio of residential, commer-  
9                           cial, and public recharging infrastructure  
10                          options necessary to support 10 percent-,  
11                          20 percent-, and 50 percent-penetration of  
12                          plug-in electric vehicles on a city fleet  
13                          basis;

14                           “(ii) the ratio of residential, commer-  
15                           cial, and public recharging infrastructure  
16                          options necessary to support 10 percent-,  
17                          20 percent-, and 50 percent-penetration of  
18                          plug-in electric vehicles on a regional fleet  
19                          basis;

20                           “(iii) the ratio of residential, commer-  
21                           cial, and public recharging infrastructure  
22                          options necessary to support 10 percent-,  
23                          20 percent-, and 50 percent-penetration of  
24                          plug-in electric vehicles on a national fleet  
25                          basis; and

1                   “(iv) the potential impact of fast  
2                   charging on market penetration rates for  
3                   electric drive vehicles and the effects on  
4                   electric utilities;

5                   “(B) the effects on market penetration of  
6                   reserved parking spots with access to re-  
7                   charging facilities;

8                   “(C) model codes (including building  
9                   codes) that need to be updated or otherwise  
10                  modified to enable widespread deployment of re-  
11                  charging facilities; and

12                  “(D) such other issues as the Secretary  
13                  considers to be appropriate.

14                  “(4) REPORT.—Not later than 1 year after the  
15                  date of enactment of this subsection, the Secretary  
16                  shall submit to the Committee on Energy and Nat-  
17                  ural Resources of the Senate and the Committee on  
18                  Energy and Commerce of the House of Representa-  
19                  tives a report on the results of the study conducted  
20                  under this subsection, including recommendations.

21                  “(f) FINANCIAL SUPPORT.—

22                  “(1) IN GENERAL.—Not later than 18 months  
23                  after the date of enactment of this subsection, the  
24                  Secretary shall establish a program to support the  
25                  deployment and integration of plug-in electric drive

1 vehicles in multiple regions of the United States  
2 through the provision of financial support to State  
3 and local governments and other entities to assist in  
4 the installation of recharging facilities for electric  
5 drive vehicles.

6 “(2) FINANCIAL ASSISTANCE.—In carrying out  
7 the program, the Secretary may provide financial as-  
8 sistance described in paragraph (7) to promote the  
9 goals described in paragraph (4).

10 “(3) REGIONS.—The Secretary shall select re-  
11 gions for financial assistance under this subsection  
12 based on applications for the assistance received  
13 under paragraph (7), taking into consideration the  
14 findings of the study conducted under subsection (e).

15 “(4) GOALS.—The goals of the program estab-  
16 lished under this subsection shall be—

17 “(A) to demonstrate the viability of a vehi-  
18 cle-based transportation system that reduces—

19 “(i) the use of petroleum as a fuel;  
20 and

21 “(ii) the emissions of greenhouse  
22 gases and other pollutants compared to a  
23 system based on conventional transpor-  
24 tation fuels;

1 “(B) to facilitate the integration of ad-  
2 vanced vehicle technologies into electricity dis-  
3 tribution areas to improve system performance  
4 and reliability;

5 “(C) to demonstrate the potential benefits  
6 of coordinated investments in vehicle electrifica-  
7 tion on personal mobility and a regional grid;

8 “(D) to demonstrate protocols and stand-  
9 ards that facilitate vehicle integration into the  
10 grid; and

11 “(E) to investigate differences in each re-  
12 gion and regulatory environment regarding best  
13 practices in implementing vehicle electrification.

14 “(5) USE OF FUNDS.—Subject to paragraph  
15 (6), the Secretary may provide financial assistance  
16 to any applicant that applies for, and receives the  
17 approval of the Secretary, under paragraph (7)—

18 “(A) to assist persons located in a region  
19 (including fleet owners) in the purchase of new  
20 plug-in electric drive vehicles by reducing the  
21 incremental cost of the vehicles above the cost  
22 of comparable conventionally fueled vehicles;

23 “(B) to support the use of plug-in electric  
24 drive vehicles by funding projects for the de-  
25 ployment of—



1 “(i) recharging infrastructure for  
2 plug-in electric drive vehicles (including  
3 range extension infrastructure);

4 “(ii) smart grid equipment and infra-  
5 structure to facilitate the charging and in-  
6 tegration of plug-in electric drive vehicles;  
7 or

8 “(iii) the purchase of advanced bat-  
9 teries for use in plug-in electric drive vehi-  
10 cles; or

11 “(C) to carry out such other projects as  
12 the Secretary determines are appropriate to  
13 support the large-scale deployment of plug-in  
14 electric drive vehicles in regional deployment  
15 areas.

16 “(6) COST SHARE.—The Secretary shall carry  
17 out the programs established under this subsection  
18 in accordance with section 988 of the Energy Policy  
19 Act of 2005 (42 U.S.C. 16352).

20 “(7) FINANCIAL SUPPORT.—

21 “(A) IN GENERAL.—The Secretary may—

22 “(i) provide grants to States and local  
23 governments for demonstration and com-  
24 mercial application of recharging infra-  
25 structure in accordance with paragraph (8)

1 in accordance with section 988 of the En-  
 2 ergy Policy Act of 2005 (42 U.S.C.  
 3 16352); and

4 “(ii) consult with the Administrator of  
 5 the Clean Energy Deployment Administra-  
 6 tion to further the goals of this section.

7 “(B) APPLICATIONS.—

8 “(i) IN GENERAL.—An applicant that  
 9 seeks to receive financial assistance under  
 10 this subsection shall submit to the Sec-  
 11 retary an application at such time, in such  
 12 manner, and containing such information  
 13 as the Secretary determines are necessary  
 14 through rulemaking.

15 “(ii) JOINT SPONSORSHIP.—An appli-  
 16 cation may be jointly sponsored by electric  
 17 utilities, automobile manufacturers, tech-  
 18 nology providers, car-sharing companies or  
 19 organizations, or other persons or entities.

20 “(C) REQUIREMENTS.—The design ele-  
 21 ments and requirements of the program estab-  
 22 lished under this subsection shall include—

23 “(i) an evaluation of the financial  
 24 mechanisms that will most effectively pro-  
 25 mote the purposes of this section;

1 “(ii) criteria for evaluating applica-  
2 tions submitted under this paragraph, tak-  
3 ing into consideration the findings of the  
4 study conducted under subsection (e) (in-  
5 cluding the anticipated ability to promote  
6 deployment and market penetration of  
7 plug-in electric drive vehicles that are less  
8 dependent on petroleum as a fuel source);

9 “(iii) reporting requirements for enti-  
10 ties that receive financial assistance under  
11 this subsection, including a comprehensive  
12 set of performance data that reflect the re-  
13 sults of the program; and

14 “(iv) provisions that no proprietary  
15 information, trade secret, or other con-  
16 fidential information is required to be dis-  
17 closed.

18 “(8) GRANTS TO STATES AND LOCAL GOVERN-  
19 MENTS FOR RECHARGING INFRASTRUCTURE.—

20 “(A) IN GENERAL.—The Secretary shall  
21 establish a program under which the Secretary  
22 shall provide grants and other financial support  
23 to States and local governments to assist in the  
24 installation of recharging infrastructure for

1 plug-in electric drive vehicles in areas under the  
2 jurisdiction of the States or local governments.

3 “(B) ELIGIBILITY.—To be eligible to ob-  
4 tain a grant or other financial support under  
5 this subsection, a State or local government  
6 shall—

7 “(i) demonstrate to the Secretary that  
8 the applicant has taken into consideration  
9 the findings of the report submitted under  
10 subsection (e), unless the State or local  
11 government demonstrates to the Secretary  
12 that an alternative variety and density of  
13 recharging infrastructure options would  
14 better meet the purposes of this section;  
15 and

16 “(ii) agree not to charge a premium  
17 for use of a parking space used to recharge  
18 an electric drive vehicle other than a  
19 charge for electric energy.

20 “(C) GUIDELINES.—The Secretary shall  
21 establish guidelines for carrying out this sub-  
22 section that are consistent with the report sub-  
23 mitted under subsection (e).

24 “(9) AUTHORIZATION OF APPROPRIATIONS.—

25 There are authorized to be appropriated to the Sec-

1       retary such sums as are necessary to carry out this  
2       subsection, to remain available until expended.

3       “(g) INFORMATION CLEARINGHOUSE.—As part of  
4 the program established under this section, the Secretary  
5 shall collect and make available to the public information  
6 regarding the cost, performance, and other technical data  
7 regarding the deployment and integration of plug-in hy-  
8 brid electric drive vehicles.

9       “(h) AUTHORIZATION OF APPROPRIATIONS.—There  
10 are authorized to be appropriated such sums as are nec-  
11 essary to carry out this subsections (e) and (g).”.

## 12   **TITLE IV—RENEWABLE ENERGY**

### 13   **SEC. 401. EXTENSION OF ENERGY CREDIT.**

14       (a) SOLAR ENERGY PROPERTY.—Paragraphs  
15 (2)(A)(i)(II) and (3)(A)(ii) of section 48(a) of the Internal  
16 Revenue Code of 1986 are each amended by striking  
17 “January 1, 2017” and inserting “January 1, 2020”.

18       (b) FUEL CELL PROPERTY.—Subparagraph (E) of  
19 section 48(c)(1) of the Internal Revenue Code of 1986 is  
20 amended by striking “December 31, 2016” and inserting  
21 “December 31, 2019”.

22       (c) MICROTURBINE PROPERTY.—Subparagraph (E)  
23 of section 48(c)(2) of the Internal Revenue Code of 1986  
24 is amended by striking “December 31, 2016” and insert-  
25 ing “December 31, 2019”.

1 (d) COMBINED HEAT AND POWER SYSTEMS PROP-  
 2 ERTY.—Clause (iv) of section 48(c)(3)(A) of the Internal  
 3 Revenue Code of 1986 is amended by striking “January  
 4 1, 2017” and inserting “January 1, 2020”.

5 (e) QUALIFIED SMALL WIND ENERGY PROPERTY.—  
 6 Subparagraph (C) of section 48(c)(4) of the Internal Rev-  
 7 enue Code of 1986 is amended by striking “January 1,  
 8 2017” and inserting “January 1, 2020”.

9 (f) ELECTION FOR QUALIFIED INVESTMENT CREDIT  
 10 FACILITIES.—Subparagraph (C) of section 48(a)(5) of the  
 11 Internal Revenue Code of 1986 is amended to read as fol-  
 12 lows:

13 “(C) QUALIFIED INVESTMENT CREDIT FA-  
 14 CILITY.—For purposes of this paragraph, the  
 15 term ‘qualified investment credit facility’ means  
 16 any facility (within the meaning of section 45)  
 17 described in paragraph (1), (2), (3), (4), (6),  
 18 (7), (9), or (11) of section 45(d) if—

19 “(i) no credit has been allowed under  
 20 section 45 with respect to such facility,

21 “(ii) the taxpayer makes an irrev-  
 22 ocable election to have this paragraph  
 23 apply to such facility, and

24 “(iii) such facility is placed in service  
 25 after 2008 and before 2020.”.

1 (g) EFFECTIVE DATE.—The amendments made by  
 2 this section shall take effect on the date of the enactment  
 3 of this Act.

4 **SEC. 402. EXTENSION OF RENEWABLE ENERGY PRODUC-**  
 5 **TION CREDIT.**

6 (a) WIND AND REFINED COAL FACILITIES.—Para-  
 7 graphs (1) and (8) of section 45(d) of the Internal Rev-  
 8 enue Code of 1986 are each amended by striking “Janu-  
 9 ary 1, 2010” and inserting “January 1, 2020”.

10 (b) MARINE AND HYDROKINETIC RENEWABLE EN-  
 11 ERGY FACILITIES.—Subparagraph (B) of section  
 12 45(d)(11) of such Code is amended by striking “January  
 13 1, 2014” and inserting “January 1, 2020”.

14 (c) OTHER FACILITIES.—Each of the following provi-  
 15 sions of section 45(d) of such Code is amended by striking  
 16 “January 1, 2011” and inserting “January 1, 2020”:

- 17 (1) Clauses (i) and (ii) of paragraph (2)(A).
- 18 (2) Clauses (i)(I) and (ii) of paragraph (3)(A).
- 19 (3) Paragraph (4).
- 20 (4) Paragraph (5).
- 21 (5) Paragraph (6).
- 22 (6) Paragraph (7).
- 23 (7) Subparagraphs (A) and (B) of paragraph
- 24 (9).

1 (d) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply to property placed in service after  
3 the date of the enactment of this Act.

4 **TITLE V—FUNDING**

5 **SEC. 501. TRANSFER OF STIMULUS FUNDS.**

6 Notwithstanding section 5 of the American Recovery  
7 and Reinvestment Act of 2009, from the amounts appro-  
8 priated or made available and remaining unobligated  
9 under division A of such Act (other than under title X  
10 of such division A), the Director of the Office of Manage-  
11 ment and Budget shall transfer from time to time to the  
12 general fund of the Treasury an amount equal to the sum  
13 of the net increase in spending and the net decrease in  
14 revenues resulting from the enactment of this Act (other  
15 than this section).

○